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ABSTRACT

Minnesota's goals and policies for serving part-time and returning college students were studied. Attention was directed to the following: programs that should be available to part-time and returning students; forms of credit or recognition that should be given to these students; the way that responsibility should be shared and monitored within the postsecondary education sector; the way the Higher Education Coordinating Board's financial aid programs should respond to changing enrollment patterns; and the way that instruction for part-time and returning students should be funded. For public and private institutions, consideration is given to curriculum changes, changes in delivery methods, and degrees awarded by alternative delivery methods. Instructional programs and support services at area vocational-technical institutes are also addressed. Information is provided on: eligibility of full- and part-time students for major federal and state student aid programs; aid awarded to dependent and self-supporting students in 1980/81; sources of funds spent on adult vocational education in fiscal year 1979; community college sources of income for credit instruction and for noncredit instruction and community services in FY 1979; and sources of funds for state universities, FY 1979. (SW)

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POST-SECONDARY EDUCATION

FOR PART-TIME AND RETURNING STUDENTS

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POST-SECONDARY EDUCATION

FOR PART-TIME AND RETURNING STUDENTS

Minnesota Higher Education
Coordinating Board

June 25, 1981

Clyde R. Ingle
Executive Director

COORDINATING BOARD ACTION

SUBJECT: RECOMMENDATIONS RESULTING FROM STUDY OF POST-SECONDARY EDUCATION FOR PART-TIME AND RETURNING STUDENTS

DATE: JUNE 25, 1981

ACTION: The Coordinating Board recommended that:

1. As a matter of policy, public collegiate institutions should make it possible for students to enter and complete selected degree programs by taking evening and weekend classes.

   a. the Community College Board offer at least one evening or weekend associate degree program at each community college.

   b. the State University Board maintain at least one evening or weekend bachelor's degree program at each state university.

   c. the University of Minnesota Board of Regents offer at least one evening or weekend bachelor's degree at the Twin Cities, Morris and Duluth campuses and at least one evening or weekend associate degree at Waseca and Crookston.

2. The State Department of Education include numerical goals for increasing the availability of part-time post-secondary vocational programs in the State Plan for Vocational Technical Education.

3. As a matter of policy, academic and student support services, including the library, registration and academic advising, be accessible to all part-time and returning students enrolled for credit or post-secondary vocational education by:

   - offering on-campus services during selected evenings and weekends

   - informing off-campus students of available on-campus services as well as bringing services off-campus wherever possible.

4. In collegiate institutions, non-credit instruction conform to the overall mission of the college, be primarily post-secondary in nature and emphasize areas in which collegiate education has unique resources and expertise.

5. Higher Education Coordinating Board staff conduct a study to examine the meaning of the academic credit in public and private collegiate institutions, ways in which accountability can be reinforced, and implications for interinstitutional cooperation.

6. Each institution eliminate restrictions on the use of credits toward degree requirements when the credits have been earned in their own programs and when the restrictions are based solely on the time and place of delivery.

7. Except for credit by examination, institutions not award credit for prior non-school learning unless (1) clearly stated criteria are in effect, and (2) faculty evaluators have been trained to assess the learning from experiences prior to enrollment.

8. Post-secondary institutions awarding the Continuing Education Unit (CEU) for non-credit instruction make it clear in their written policies and publicity that the CEU is unrelated to academic credits.

9. All public and private post-secondary institutions participate in regular communication networks, preferably on an organized basis, in order to coordinate their on- and off-campus courses for part-time students with neighboring institutions and other providers of educational programs for adults.

10. Conflicts concerning off-campus credit and non-credit class offerings between institutions in different post-secondary systems be mediated by the Higher Education Advisory Council after local and regional coordinating efforts have failed.

11. The public collegiate systems demonstrate a consistent, tangible commitment to the education of part-time and returning students through budgeting strategies and tuition (or general fee) policies that focus on the cost, level and content (purpose) of credit instruction, rather than time and place of delivery.

    a. the State University Board employ uniform tuition levels and funding policies for equivalent on- and off-campus graduate courses.

    b. the University of Minnesota Board of Regents pursue policies to make comparable the share of instructional costs borne by day students and students enrolled for equivalent classes under Continuing Education and Extension.

12. Except for non-credit instructional programs which have a limited scope or receive separate, special purpose funding, the costs of program administration, including assigned personnel, be considered a direct cost of providing non-credit instruction in public collegiate institutions and funded out of fees income rather than state appropriations.

13. Except for special programs funded in consort with economic development agencies, employers be charged the full direct and administrative costs of providing instruction in the public post-secondary institutions which is content-tailored to their specific needs or offered at their request and closed to the general public.

14. The public collegiate institutions consider charging an additional fee per credit hour for off-campus credit instruction if funds are needed to support the transportation or other unusual expenses of bringing faculty to off-campus classes.

15. In public collegiate institutions, a portion of any fiscal surpluses from non-credit programming be used to diversify non-credit offerings, provide financial assistance to low income participants, or increase support services accessible to the community.

16. Post-secondary vocational funding be permitted to support entry level training provided on a part-time basis, including programs which meet less than five hours a week and programs which are not also offered full-time.

TABLE OF CONTENTS

		Page
	SUMMARY OF FINDINGS AND RECOMMENDATIONS	i
I.	INTRODUCTION AND BACKGROUND	
	A. INTRODUCTION	1
	1. Purpose	1
	2. Past HECB Involvement	1
	3. Study Objectives and Method	2
	4. Definitions	3
	B. BACKGROUND	
	1. Changing Environment	3
	2. Providers of Adult Education	4
	3. Current Enrollments	5
	4. Future Enrollments	7
II.	PROGRAMS	
	A. MISSIONS OF MINNESOTA POST-SECONDARY INSTITUTIONS	9
	B. FINDINGS	11
	1. Instructional Programs in Public and Private Colleges and Universities	11
	2. Instructional Programs in Area Vocational-Technical Institutes	15
	3. Supporting Services	16
	C. ISSUES	17
	D. CONCLUSIONS	19
III.	CREDIT POLICIES	
	A. FINDINGS	22
	1. Academic Credits	22
	2. Non-Credit Instruction	23
	B. ISSUES AND DISCUSSION	24
	C. CONCLUSIONS	24
IV.	COORDINATION	
	A. FINDINGS	25
	B. ISSUES AND DISCUSSION	26
	C. CONCLUSIONS	28

Page

V. FINANCIAL AID

A. FINDINGS....30

B. ISSUES AND DISCUSSION....36

C. CONCLUSIONS....36

VI. FINANCING PROGRAMS

A. INTRODUCTION....38

B. FINDINGS....39

1. Overview....39
2. Area Vocational-Technical Institutes....42
3. Community Colleges....48
4. State Universities....48
5. University of Minnesota....51

C. ISSUES AND DISCUSSION....56

1. Overview....56
2. Credit Instruction....59
3. Non-Credit Instruction....62
4. Post-Secondary and Adult Vocational Education....63

D. CONCLUSIONS....64

1. Credit Instruction....64
2. Non-Credit Instruction....68
3. Post-Secondary and Adult Vocational Education....69

APPENDIX

Members of the Special Advisory Committee....71

SUMMARY OF FINDINGS AND RECOMMENDATIONS

BACKGROUND

The history of American education is marked by a persistent broadening of opportunity. Institutions at all levels have responded to these demands by providing increasingly diverse programs to serve different student needs.

Recently at the post-secondary level there has been a growth in the numbers of adult students returning to formal education. Usually these adults attend on a part-time basis. Although many attend programs designed for the majority of full-time students, returning adults often need or want programs which are tailored to their interests and schedules. Some educators feel that forecasted declines in the enrollments of recent high school graduates will allow their institutions to expand services to potential part-time and returning adult students.

STUDY OBJECTIVES

During the past 15 years, the Higher Education Coordinating Board has taken positions on selected issues affecting part-time and returning students. The attached study represents the first long-range, broad investigation of the state's goals and policies for serving these individuals within post-secondary education institutions.

The study and report are organized around the following sets of issues:

1. What programs should be available to part-time and returning students?
2. What forms of credit or recognition should be given to participants?
3. How should responsibility be shared and monitored within the post-secondary sector?
4. How should the Board's financial aid programs respond to changing patterns of enrollments?
5. How should instruction for part-time and returning students be funded?

Investigation of these topics utilized existing information and discussion among campus and system personnel involved at policy and program levels. Additional guidance was received from a Special Advisory Committee which included representatives of public and private post-secondary education, returning students, and the general public. Although there is some overlapping of function with organizations outside the post-secondary sector, the study did not address the roles of other providers except as background to the current and recommended evolution of services provided by Minnesota colleges, universities and vocational technical institutes.

SUPPORTING DOCUMENTS

During the study, the staff of the Coordinating Board prepared a series of working papers as discussion material for the Special Advisory Committee. These papers covered the following topics:

#1 Terminology
#2 Enrollments
#3 Programs
#4 Mission of Providers of Adult Education
#5 Financial Aid
#6 Coordination
#7 Program Funding

Staff also developed summaries of activities at individual campuses, based on visits with people involved in services delivery. A limited number of copies of the working papers and campus summaries are available from the Coordinating Board office.

Copies of written statements evaluating draft staff recommendations, presented at the March 1981 Coordinating Board meeting, are also available from the Board office. The final recommendations reflect these comments from the systems offices and other organizations.

MAJOR FINDINGS

PROGRAMS

- The vocabulary used to describe returning students and the types of programs which serve them is imprecise. Programs are sometimes called adult education, continuing education, community education, extension, outreach, non-traditional education or lifelong learning. These terms, however, can have different meanings depending on the user and the context.

- At some institutions, programs targeted toward returning students may be separated from "regular" programs in terms of faculty, funding, and administration. At other institutions, there is no visible distinction in organizational arrangement. In practice, most instruction in collegiate institutions is available to both full-time and part-time students, both young and mature adults. As enrollments of part-time and returning students have grown, it becomes increasingly difficult to distinguish the programs which serve them as peripheral enterprises.

- The most common method of reaching returning students is through the provision of evening, on-campus classes for credit. Off-campus classes and non-credit instruction are common, but less frequently provided. Competency-based education and recognition of prior, non-school learning are available at a few institutions.

- Although all public institutions attempt to make their instructional opportunities available to returning students, it is frequently not

possible to complete a degree without attending on-campus, day classes for some requirements.

- To capture the non-degree oriented student, institutions are usually required to alter the content, as well as the delivery, of their instructional programs. These students may be attracted by occupational upgrading rather than preparation, education useful to adults in their roles as parents, consumers and citizens, and education for enjoyment rather than as a foundation for further study.

- For most residents, opportunity is related to their proximity to a large, multi-purpose public institution. Small institutions find it difficult to accommodate diverse needs. Consequently, outstate residents who do not live near a post-secondary institution are the least well-served followed by residents of communities served by a small community college or vocational technical institute.

- Non-credit instruction is typically viewed as a form of public service rather than as an extension of the instructional mission of the institution.

- The area vocational technical institutes serve very few part-time students in post-secondary programs. However, nearly all participants in adult vocational education, which stresses in-service training for persons already in the labor force, are part-time.

CREDITS

- Although once linked to measured progress towards a degree, academic credits are now divorced from degree structures. Credits may be assigned to qualifying instruction which has limited use as part of a degree plan.

- Standards for evaluating instructional content and assigning credit are formulated and applied at the institutional level.

- Because the funding of public institutions depends primarily on credit enrollments, there is an incentive to award credit whenever possible.

COORDINATION

- Coordination of off-campus, non-credit, or evening classes which are not offered as part of a permanent degree option takes place on a voluntary basis through the Board's regional centers, local and regional associations, and informal contacts.

- Overall system and institutional missions regarding the level and curriculum of instruction apply to credit offerings for part-time and returning students. Similar missions have not been developed for non-credit instruction responsibilities.

- The State University Board has established fixed boundaries for institutional service areas. The other public post-secondary systems do not have defined service areas although they tend to serve the immediate vicinity with the exception of certain University of Minnesota-Twin Cities programs.

FINANCIAL AID

- Factors which limit the access of part-time and returning students to the major need-based public financial aid sources include attendance requirements, limitations on eligible programs, allowable student budgets, and factors used in the computation of student resources available for educational expenses.

- Employer-provided tuition aid and tax deductions for educational expenses both favor the individuals enrolled to upgrade occupational skills. These students--who make up approximately one-quarter of the state's part-time and returning students depending on the program--are likely to have high levels of income and education. The GI Bill which has provided support to students with diverse educational goals is diminishing in impact.

FINANCING PROGRAMS

- In the public collegiate systems, the student's share of direct instructional costs (not counting support services, plant operations, and other expenses which were included in the Board's analysis of tuition policies) for credit instruction ranges from 36% to 100%.

- Two programs which provide substantial access to credit instruction to part-time and returning students are expected to cover nearly all direct costs through student tuition. These programs are Continuing Education and Extension, an administrative division at the University of Minnesota which sponsors most evening and off-campus instruction, and off-campus graduate classes offered through the state universities.

- Non-credit instruction is not fiscally differentiated from non-instructional forms of public service. Except for special purposes, state funds are not used to support the direct costs of non-credit instruction. State-funded positions, however, frequently are used to administer non-credit instruction and other public service activities.

- At the area vocational technical institutes, students enrolled in post-secondary vocational education pay 18% of direct instructional costs through tuition. Adult vocational students pay, on the average, 36% of their direct costs through fees which are established at the local level.

- Cost allocations of indirect expense items differ according to local and system decisions. As a result, post-secondary vocational education subsidizes adult vocational education in some districts because shared costs are not assigned to the adult budget. Similar differences affect the computation of costs which must be recovered through fees for non-credit instruction in the public colleges.

CONCLUSIONS AND RECOMMENDATIONS

PROGRAMS

- Although all the public systems include service to part-time and returning students as part of their mission, the implementation of

this function is largely the result of local decisions and priorities. As a result, there is no coherent statement of the state's commitment to access for these students.

- It will never be possible to make all instructional programs and support services accessible to all residents regardless of distance or scheduling factors. It will continue to be necessary to establish priorities at the state, system and campus levels.

- Based on the findings and conclusions, the Coordinating Board recommends THAT:

1. As a matter of policy, public collegiate institutions should make it possible for students to enter and complete selected degree programs by taking evening and weekend classes.

   a. the Community College Board offer at least one evening or weekend associate degree program at each community college.

   b. the State University Board maintain at least one evening or weekend bachelor's degree program at each state university.

   c. the University of Minnesota Board of Regents offer at least one evening or weekend bachelor's degree at the Twin Cities, Morris and Duluth campuses and at least one evening or weekend associate degree at Waseca and Crookston.

All public colleges presently offer an evening program of credit classes. Institutions differ in the extent to which the evening program can constitute a planned sequence of study, with decisions based on experience and perceptions of the local market. This recommendation asserts that the state has an obligation to part-time and returning students beyond providing a smattering of classes for intermittent students, especially since degree opportunities can only be delivered by post-secondary institutions.

Where not now in effect, this objective can be achieved through planned, multi-year scheduling or the addition of several required classes. Some terms, required classes may need to be offered alternatively during days and evenings at the occasional inconvenience of day students. Some institutions may choose to deliver the same curriculum as they do during the weekday; others may wish to construct a degree option that recognizes the interests of a different clientele and has the potential to attract the non-degree student as well. Specific majors and delivery modes will depend on local needs, but the quality of evening and weekend degree programs should meet or exceed the institution's standards for degrees earned during the day.

2. The State Department of Education include numerical goals for increasing the availability of part-time post-secondary vocational programs in the State Plan for Vocational Technical Education.

Because occupational skills must often be taught in sequence, it is not possible to deliver all post-secondary vocational education programs to part-time students, but more programs than at present can be made accessible. AVTIs are moving in this direction following a funding change permitting

part-time attendance. The Department of Education should take a leadership role by requiring specific plans tied to numerical objectives. Within an overall state goal, goals and implementation plans, using curriculum development funds if necessary, should be required from each AVTI.

3. As a matter of policy, academic and student support services, including the library, registration and academic advising, be accessible to all part-time and returning students enrolled for credit or post-secondary vocational education by:

   - offering on-campus services during selected evenings and weekends

   - informing off-campus students of available on-campus services as well as bringing services off-campus wherever possible.

The availability of supporting services tends to lag behind the availability of instruction for part-time and returning students. While many students may not need other services, the provision of instruction entails an obligation to insure the quality and convenience of the educational experience. In particular, individuals seeking a planned program rather than a single course are likely to need academic advising and counseling to achieve their objective because access by part-time and returning students will remain restricted in many locations. In planning supporting services, priority should, therefore, be given to assuring flexible access to academic guidance. Other services, such as child care, should be provided when needs and demand are sufficient to provide economical support.

4. In collegiate institutions, non-credit instruction conform to the overall mission of the college, be primarily post-secondary in nature and emphasize areas in which collegiate education has unique resources and expertise.

If offered, non-credit instruction should be viewed as part of the institution's instructional mission, illustrating the accountability of faculty and administration for the integrity of all aspects of an educational institution's major purpose. Consistency with the overall mission will encourage diversity, maintain public understanding of the essential qualities of the institution, and protect the quality of non-credit work. Non-credit instruction should normally be an outgrowth of subject areas offered under the credit program because faculty and administrative expertise will be strongest in these disciplines.

CREDITS

- There is a danger that as competition for students increases, the meaning of academic credits will be diluted. This problem potentially extends to all students in all types of programs, but it is especially prevalent in programs for part-time and returning students.

- As long as non-credit instruction is divorced from the instructional mission of the institution, its content and quality will remain a peripheral concern to faculty and academic administrators.

- Based on the findings and conclusions, the Coordinating Board recommends THAT:

5. Higher Education Coordinating Board staff conduct a study to examine the meaning of the academic credit in public and private collegiate institutions, ways in which accountability can be reinforced, and implications for interinstitutional cooperation.

Although credit hour production is an important means of measuring institutional activity and student progress, institutional standards and practice are not uniform. In the public systems, funding incentives act to encourage generous awards of credit, and in both public and private institutions recruiting objectives have similar effects. These forces will increase during the 1980s.

At a minimum, the state, the institutional community, and organizations which use the credit hour as an evaluation of student achievement have a right to an understanding of the meaning of this unit of measurement within each institution. At the same time, appropriate flexibility must be maintained to allow for different delivery strategies and student characteristics. Ultimately, the professional judgments of faculty, as delegated by the governing boards, are key to maintaining a sound, yet responsive, system for making credit decisions.

6. Each institution eliminate restrictions on the use of credits toward degree requirements when the credits have been earned in their own programs and when the restrictions are based solely on the time and place of delivery.

Because degrees are made up of more than a random accumulation of credits, institutions stipulate how credits may be applied to degree requirements. Appropriately, credits may be accepted as electives, distribution or major requirements, depending on subject matter. Some institutions have gone beyond content to discriminate among credits earned on- or off-campus, in the day or evening, and in individualized or classroom instruction. For example, the University of Minnesota restricts the use of Continuing Education and Extension credits in graduate and other degree programs and some state universities place limitations on the acceptance of credit earned off-campus.

In opposition to these practices, this recommendation asserts that the time and place of instruction should not normally determine the applicability of credits toward fulfilling degree requirements. When equivalent quality is not achieved in alternate delivery systems, the decision to award a restricted form of credit poorly masks the institution's underlying doubts and assigns a second class status to students who often do not have the opportunity to enroll in conventional delivery modes. Rather than restrict the applicability of credit earned, institutions should creatively develop ways in which the quality of the educational experience can be brought up to standards. Current practices too easily allow institutions to avoid this demanding task while maintaining the appearance of access to part-time and returning students.

7. Except for credit by examination, institutions not award credit for prior non-school learning unless (1) clearly stated criteria are in effect, and (2) faculty evaluators have been trained to assess the learning from experiences prior to enrollment.

To attract and serve the needs of returning students, institutions may desire to recognize learning which has taken place in a non-collegiate setting prior to enrollment. While this service may be valuable to some residents, there are numerous philosophical and practical questions which must be addressed before a program begins. These difficulties suggest that institutions should prepare themselves thoroughly and enter into a practice of evaluating experiential learning only as a result of deliberate decisions.

8. Post-secondary institutions awarding the Continuing Education Unit (CEU) for non-credit instruction make it clear in their written policies and publicity that the CEU is unrelated to academic credits.

While the CEU was designed as a measure of non-credit activity, it is used by some institutions as an intermediate ground between credit and non-credit work. Confusion is added when courses are offered for either credit or CEUs and when credits are awarded for CEUs as part of an assessment of prior learning.

Although the Council on the Continuing Education Unit has recommended basic program standards, institutional practices vary and the CEU is often a measure of attendance only. The academic credit implies thorough evaluation of content and student competence. The two measures are unrelated. CEUs should never be converted by formula into academic credits, although the learning which has taken place in a non-credit setting may be separately evaluated by institutions which have the expertise to provide credits for competencies acquired through non-school experiences. Institutions should use particular caution in awarding either CEUs or academic credits for the same activity. When both measures are employed, it should be clearly stated that academic credits will require more rigorous work and evaluation than CEUs.

COORDINATION

- Coordination of individual class offerings, whether for credit or credit-free, must be flexible and locally-based so that institutions can quickly respond to changing interests.

- When institutions alter the content of their instruction to attract non-degree oriented students, they are most likely to be brought into competition with organizations outside post-secondary education. Effective coordination involves consultation with these organizations as well as other post-secondary institutions and systems.

- Institutional service areas appropriately vary depending on the specific program to be offered. For some fields, neighboring institutions may offer similar programs while in other fields a program may be unique within Minnesota.

- Based on the findings and conclusions, the Coordinating Board recommends THAT:

9. All public and private post-secondary institutions participate in regular communication networks, preferably on an organized basis, in order to coordinate their on- and off-campus courses for part-time students with neighboring institutions and other providers of educational programs for adults.

The state's policies for coordinating short-term, frequently changing offerings should recognize the strengths of existing communication networks. There are many examples of such organizations, including the Board's regional centers, the Itasca Continuing Education Council and a group of providers in the northern suburbs of St. Paul. Where mechanisms are not in place, local or regional groupings of post-secondary institutions and, if possible, other providers should be created.

Because institutional resources, commitment and service areas vary widely, each post-secondary institution should identify which other public and private institutions should be included in its regular communication networks. Some institutions may participate in several coordination bodies depending on location and course content. Institutions that find it necessary to extend beyond their normal geographic boundaries will be expected to conduct their planning in consultation with area institutions.

10. Conflicts concerning off-campus credit and non-credit class offerings between institutions in different post-secondary systems be mediated by the Higher Education Advisory Council after local and regional coordinating efforts have failed.

Most institutions want to work out problems regarding local and regional services at the local and regional levels. Nevertheless, there may be occasions in which coordination is not achieved to the satisfaction of all participants. The proposed procedure would be activated only upon request from an affected institution and would result in a HEAC discussion concerning future activity in a locale. Action through HEAC would probably be requested only rarely. The existence of an outside mediation mechanism, however, should act as an additional incentive to maintain cooperation among institutions serving part-time and returning students. This role is consistent with the purposes of the Higher Education Advisory Council.

FINANCIAL AID

- Financial aid eligibility and delivery systems were designed at the outset for single full-time students living a subsistence lifestyle. Broadening these programs to students with dependents and ongoing financial commitments has been incremental and reflects little consensus on the nature of appropriate public subsidies.

- Recommendations regarding the Board's financial aid programs will be made as part of a long-range planning process which will examine multiple issues for the coming decade.

FINANCING PROGRAMS

- Funding of delivery systems for part-time students has been less generous than for instruction which has grown out of programs for full-time students. Each system, however, is funded somewhat differently and similar programs receive state funds in one type of institution and not in another.

- Self-supporting credit programs must limit their offerings to courses which can attract larger enrollments than necessary to support funded

courses. Larger class sizes and diminished diversity are the major effects.

- Public funding for all education rests on a consensus that there are public benefits, as well as personal ones, of investment in learning. These public benefits justify taxing all individuals, including persons who do not participate. The recognition of public benefits has also meant that most students in public institutions have never been expected to pay all costs of instruction regardless of their ability to afford these costs. Evaluation of funding policies for part-time and returning students must ultimately address the question: When is the distribution of personal and social benefits sufficiently different to justify separate funding practices?

- Legislative and system funding policies have frequently focused on the time and place of delivery as a significant variable. Delivery method alone, however, says very little about the social utility of educational outcomes which are governed by the content of instruction and the subsequent behavior and attitudes of individual participants. Delivery method is also a poor way to distinguish on the basis of ability to pay and motivation since a diversity of students are usually enrolled.

- Based on the findings and conclusions, the Coordinating Board recommends THAT:

11. The public collegiate systems demonstrate a consistent, tangible commitment to the education of part-time and returning students through budgeting strategies and tuition (or general fee) policies that focus on the cost, level and content (purpose) of credit instruction, rather than time and place of delivery.

    a. the State University Board employ uniform tuition levels and funding policies for equivalent on- and off-campus graduate courses.

    b. the University of Minnesota Board of Regents pursue policies to make comparable the share of instructional costs borne by day students and students enrolled for equivalent classes under Continuing Education and Extension.

The present pattern of funding credit instruction is inconsistent and lacks a coherent policy base. The community colleges receive funding for a certain level of credit enrollments without regard to the subject taught or delivery method. In funding the University of Minnesota and the state universities, however, funding policies discriminate against part-time and returning students solely on the basis of their preferences for time and place of instruction. These policies are based on assumptions regarding the financial ability and educational motivations of students choosing different modes.

In fact, most instruction services a variety of students, and delivery method imperfectly discriminates among student characteristics and outcomes. Variability in students' ability to pay is best accommodated through a comprehensive financial aid program based on need. Variability in educational outcome is best evaluated on the basis of course content.

The policy at the University of Minnesota has dampened the diversity and quality of programs available to evening students. Through a Special State Appropriation, Continuing Education and Extension students pay similar tuition rates to day students, but faculty members receive lower salaries than they do for day instruction and large class sizes must be maintained to enable CEE to remain largely self-supporting. This limitation has also made it difficult to sustain some evening degree programs which are necessary for persons who did not benefit from previous public investment in post-secondary education.

At the state universities, state support was withdrawn from the direct costs of off-campus graduate classes in fiscal year 1977 on the contention that many participants were teachers who would be financially reimbursed through salary advancement. While this action has surface validity, there are countless other instances in which the state funds instruction for students who will financially benefit from their education. More importantly, because it is based on location rather than program purpose, the policy actually discriminates against residents of rural areas and does not accomplish its original intent as long as on-campus graduate classes are also serving public school teachers.

The authority to allocate resources among competing programs and services is an essential responsibility of the governing boards. Many factors go into this process and it is appropriate for systems and institutions to choose their priorities in the light of overall funding levels, student preferences and other needs. These recommendations are directed toward reducing policies which prevent certain delivery modes from competing for funds on the same basis as other credit instruction. Policies which discriminate on the basis of subject matter, treatment, or cost would continue to be appropriate budgeting strategies. For example, it would be consistent within the above principle to provide reduced levels of support for curricula which are created to meet needs for in-service occupational training or to satisfy the leisure and civic interests of the general public.

Alternative implementation strategies include:

(a) increased levels of state funding
(b) tuition adjustments spread out over all students, and
(c) reallocation of existing resources.

Implementation at the University of Minnesota must be gradual as enrollments shift between day and Continuing Education and Extension classes. While readjusting levels of support at the University of Minnesota would involve several millions of dollars (the exact amount would depend on the implementation plan selected by the Board of Regents), it is estimated to be only 2%-3% of the total budget in terms of fiscal year 1979 expenditures.

12. Except for non-credit instructional programs which have a limited scope or receive separate, special purpose funding, the costs of program administration, including assigned personnel, be considered a direct cost of providing non-credit instruction in public collegiate institutions and funded out of fees income rather than state appropriations.

Non-credit instruction now receives state support through funded positions for programming personnel, use of facilities and supplies, and other indirect items. While some non-credit work achieves socially-desired objectives, equitable

funding and services to students enrolled for credit deserve higher priority for state resources. This recommendation would remove a subsidy for incremental costs incurred in running a non-credit instructional program while allowing institutions to continue indirect subsidy through unrecovered overhead.

In many instances, personnel administering non-credit instruction are also in charge of non-instructional public services such as exhibits and conferences. This recommendation is not directed toward changing the funding of non-instructional activities. In addition, programs funded by Special Appropriations and grants, such as the Agricultural Extension Service, would not be affected.

13. Except for special programs funded in consort with economic development agencies, employers be charged the full direct and administrative costs of providing instruction in the public post-secondary institutions which is content-tailored to their specific needs or offered at their request and closed to the general public.

Closer ties with employers can help post-secondary institutions reach greater numbers of part-time and returning students. Employers offer institutions a sound perspective on the needs of their employees and can assist in scheduling, locating and publicizing instruction. Post-secondary institutions offer employers a convenient, high quality source of training and education which supports business objectives. In many instances, cooperative arrangements involve instruction which is general in nature. State support for these offerings may be on the same basis as programs for the general public. When the content emphasizes non-transferable skills or is closed to the public, however, the program is essentially in-house training in which the employer's interests are primary. In these cases, employers should pay the full costs of instruction so that institutions do not create subsidies which favor some competitors over others. Even at full cost pricing, post-secondary institutions will represent an economical training resource. This recommendation would not affect special programs, such as the Comprehensive Employment and Training Act (CETA) and the New Jobs appropriation, which are targeted to disadvantaged individuals and geographic areas in accordance with specific development priorities.

14. The public collegiate institutions consider charging an additional fee per credit hour for off-campus credit instruction if funds are needed to support the transportation or other unusual expenses of bringing faculty to off-campus classes.

Rural areas are difficult to reach with off-campus programs because enrollments tend to be low and faculty travel expenses are high. To some extent, these factors, which raise the per student costs past tolerable levels, are counteracted by the common use of adjunct instructors, but vast areas of the state must remain underserved under existing funding constraints. A modest fee--similar to the student services fee paid by on-campus students--would provide a means to cover the higher, incremental costs of off-campus classes without additional use of state resources. This method is preferable to requiring individual class members to drive long distances in order to achieve access to credit instruction.

15. In public collegiate institutions, a portion of any fiscal surpluses from non-credit programming be used to diversify non-credit offerings, provide financial assistance to low income participants, or increase support services accessible to the community.

Popular non-credit offerings can be a source of discretionary income to some post-secondary institutions. In an era of diminishing public funds for higher education, it is tempting to use the non-credit market, in which prices are determined locally depending on costs and demand, to generate needed resources. While this strategy has merit, it tends to limit the accessibility of non-credit programs to low income individuals or persons with less popular requests, an accessibility already constrained by the self-supporting nature of non-credit programming in general. When all revenues are diverted to other uses, the incentive and the risk capital for program administrators to diversify and extend their efforts are further reduced. This recommendation encourages institutions to use a portion of their non-credit surpluses, when attainable, to benefit the clientele which generated them. Adult vocational education, which operates under similar pricing flexibility, forbids the use of fee revenues for other purposes.

16. Post-secondary vocational funding be permitted to support entry level training provided on a part-time basis, including programs which meet less than five hours a week and programs which are not also offered full-time.

Legislation currently requires part-time post-secondary vocational programs to be first offered on a full-time basis; State Board of Vocational Education rules require at least five hours of classroom attendance each week. These practices cloud the intended differences in the purposes of adult vocational and post-secondary vocational education by forcing AVTIs which want to offer certain types of part-time, entry level training to utilize adult vocational funds to accomplish their objective. Further, adult vocational funding requires participants to pay a greater portion of their instructional costs than post-secondary students.

While it is legitimate to differentiate funding practice depending on the purpose of instruction, differences founded solely on the basis of delivery provide disincentives to extend access to students who need flexible scheduling. Removal of scheduling limitations on post-secondary funding will enable vocational educators to design their classes around student needs and subject requirements rather than funding stipulations.

I. INTRODUCTION AND BACKGROUND

A. INTRODUCTION

1. Purpose

While part-time and returning students do not represent a new clientele for post-secondary education, economic, social and cultural changes have made it necessary for growing numbers of adults to seek continuing education throughout life. At the same time, projected enrollment declines in eligible post-high school applicants are stimulating institutional efforts to attract adults back to the campus.

These efforts promise to extend access to post-secondary education, but the risks of unplanned proliferation of activity are needless duplication and a waste of resources as institutions compete for the same potential students. New programs, new financing arrangements, and new coordination procedures may be needed if post-secondary education is to succeed in serving Minnesota residents within the limits of the state's resources. These issues are raised in a review of the state's present commitment to providing access to part-time and returning students.

2. Past HECB Involvement

One of the legislatively-assigned functions of the Higher Education Coordinating Board is to study all aspects of post-secondary education and to develop plans to meet present and future needs.[1] This mandate has provided the basis for this study and other activities relating to part-time and returning students.

In 1968, the Higher Education Coordinating Commission stated that a goal of Minnesota higher education was "to facilitate and to stimulate lifelong learning through continuing education of adults."[2] Previous

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[1] Minn.Stat. Chap. 136A.04

[2] Minnesota Higher Education Coordinating Commission, A Philosophy for Minnesota Higher Education (1968).

Board positions concerning education for part-time and returning students include recommendations to fund all credit instruction on the same basis of costs regardless of the mode of delivery,[3] to record non-credit instruction according to the guidelines developed by the National Task Force on Continuing Education Unit,[4] and to increase the support of educational technology for continuing education.[5]

In 1970, an inventory of off-campus courses was completed, and in 1974 the Board began collecting quarterly listings of off-campus classes. Through management of post-secondary regional centers at Rochester, Wadena and the Iron Range and through administration of the federal Title I Community Service and Continuing Education Program, the Board has become involved directly with institutions in the provision of educational programs for community residents who want extended campus services.

3. Study Objectives and Method

As enrollments and services to part-time and returning students have developed from small peripheral efforts into active programs at many institutions, the state's interest and investment in these activities have become visible to institutions, to the Board and to the legislature.

In the light of past and projected changes, the Board has conducted a review of five issues facing the state:

1. What programs should be provided for part-time and returning students?
2. What forms of credit or recognition should be given to participants?
3. How should responsibility be shared and monitored within the post-secondary sector?
4. How should the state's financial aid programs respond to changing patterns of enrollment?
5. How should programs for part-time and returning students be funded?

The study makes extensive use of existing information; only financial data were compiled especially for this report. Because the programs conducted for part-time and returning students are extraordinarily diverse, discussions with campus personnel were used to develop an understanding of the current services, problems and potential. Additional guidance was received from members of a Special Advisory Committee to the Board (See Appendix)

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[3] Minnesota Higher Education Coordinating Commission, Making the Transition: Report to the 1975 Minnesota Legislature (January 1975)

[4] Minnesota Higher Education Coordinating Board, Report to the 1977 Minnesota Legislature (January 1977)

[5] Minnesota Higher Education Coordinating Commission, Meeting the Challenge: Report to the 1971 Minnesota Legislature (January 1971)

4. Definitions

Discussion of these issues is difficult in part because the vocabulary used to describe both the programs and students is confusing and far from universal. Programs are sometimes described generically as continuing education, adult education, or extension. Students are called adult students, older students, or non-traditional students. Because these terms can have different meanings, this report uses the following terms and definitions:

> Part-Time Students: Broadly defined, part-time students are those students taking less than an institutionally determined full course load--usually 12 credit hours a term in collegiate institutions or 30 clock hours a week in AVTIs. Part-time students include many students who are of "traditional" college age and alike in all other respects to most full-time students. Other part-time students are older, married, or employed and generally enrolled in programs which do not require on-campus, daytime attendance.
>
> Returning Students: Returning students are those students who are returning to college or vocational institute after a significant period of employment or child rearing. Most returning students are older than 25 and have commitments to a job and family. Some returning students attend on a full-time basis, but it is assumed that most returning students are also part-time students.

These definitions are not intended to be inclusive. They suggest, however, the characteristics of a clientele for post-secondary education which often has special requirements for instructional programs or student services.

B. BACKGROUND

1. Changing Environment

Although people of all ages have participated in post-secondary education throughout the twentieth century, changes in American culture and society are placing new significance on serving the adult population throughout life. These changes include increased use of education to pursue leisure interests, expanded occupational roles for women, and an expectation that social institutions will accommodate individuality and personal choice.

Economic conditions such as technological development, unemployment, and erosion of purchasing power through inflation are further bringing new demands for occupational training and upgrading.

In response to these and other trends, institutions have become increasingly flexible and diverse in terms of subject matter, allowing interdisciplinary, avocational, and in-service occupational curricula to grow alongside the traditional academic and vocational disciplines. Extensive experimentation with new forms of delivery which will accommodate different styles of learning has accompanied curricular change.

Social and economic changes in the 1980's will continue to require that public and private post-secondary education reach adults who are not well served by conventional academic and vocational programs. State and institutional policies will be called upon to respond to the following challenges:

- To develop new curricula while remaining true to the strengths of post-secondary academic and vocational education;
- To implement flexible methods of delivery while continuing a tradition of quality;
- To extend access to as many Minnesota residents as possible while making efficient and effective use of limited public resources;
- To develop new functions in response to societal needs while maintaining diversity among institutions and systems;
- To make the instructional resources of post-secondary education accessible to the community while avoiding unnecessary duplication with organizations outside formal post-secondary education.

These challenges are especially difficult now because the state's financial resources are limited threatening the capability of institutions to maintain their present level of service. Taxpayer preferences and competition with other public needs point to a prolonged period of fiscal stringency. Demographic declines in the traditional sources of post-secondary enrollments will raise pressures to find new clienteles, but they will also likely reduce the fiscal and managerial capability to start new programs.

2. Providers of Adult Education

This study focuses on the ways in which formal post-secondary education - public and private colleges, universities, and technical institutes - can provide education for part-time and returning students. A number of other sources of education potentially serve similar functions. Community education programs of local school districts, private vocational schools employer-provided training, public employment and training programs, libraries, private consulting firms, professional associations and community agencies also sponsor educational activities for the adult population.

While acknowledging the importance of the non-post-secondary sector, this study does not further describe the roles of these organizations as they are outside the Board's legislative mandate. It is assumed, however,

that other providers of education will continue to be alternatives to post-secondary institutions for the majority of adults. Tax-supported and non-profit agencies, in competition for public funds, are emphasizing their educational roles in addition to traditional functions. Most significantly, private business and industry are active in meeting the educational needs of their employees and the educational preferences of the general public. Industry is likely to be successful in the delivery of flexible, targeted offerings which are incompatible with traditional academic modes of thought and organizational structures. Further, cable television, home computers, and video disks and cassettes will profoundly change the relationships between consumers and sources of information. Industry, as well as formal education, will be using these technologies to attract persons seeking education and training in instances when such activities can be made profitable.

Despite some overlapping functions and resources, post-secondary institutions have several attributes which distinguish them from other educational organizations:

- Most other providers of education to part-time and returning students are meeting short-term, specific requirements and interests. Post-secondary education has traditionally emphasized long-term, sequential programs;

- Post-secondary education has an essential role in teaching fundamental, intellectual principles and entry-level occupational skills to students regardless of age;

- Post-secondary education has a special mission to serve educationally and economically disadvantaged individuals;

- Post-secondary education provides the most extensive range of offerings, allowing students to bridge the world of work and the world of ideas;

- Although a few private businesses in other states have begun to award degrees, in Minnesota post-secondary institutions are the sole agencies authorized to attest to student accomplishment through credits and degrees;

- Academic freedom and serious scholarly inquiry are most valued in collegiate institutions.

These traditions are solid foundations for an evolution that uses the existing strengths of post-secondary institutions

3. Current Enrollments

Enrollments in Minnesota post-secondary institutions portray numbers and characteristics of the state's part-time and returning students. In comparison with previous decades, today's students are more likely to attend on a part-time basis and more likely to be older than the stereotypical

"college age." The following data are drawn from the Coordinating Board's annual enrollment surveys.

a. Attendance Status

1. In fall, 1978, there were 49,000 part-time undergraduate students attending Minnesota's two-and four-year collegiate institutions. These enrollments represented 30% of all undergraduates in public and private colleges.

2. Between 1973 and 1978, part-time undergraduate enrollments grew by 55%, while full-time enrollment rose by only 9%.

3. Over one-half of the state's part-time students are at the University of Minnesota and 30% are at a community college. Only 5% of the part-time students attend private colleges, while 28% of the full-time students attend these schools.

4. Women are more likely than men to attend post-secondary education on a part-time basis. In 1978, 40% of all undergraduate women and 32% of all undergraduate men in public collegiate institutions were enrolled part-time.

5. While the numbers of part-time undergraduate students have been increasing at nearly all institutions, the proportion of part-time graduate students fell from 48% in 1973 to 41% in 1978 when there were 8,600 part-time graduate students enrolled fall term. The largest decreases were experienced by the state universities, but 83% of all state university graduate students still are enrolled part-time.

6. Black, American Indian and Hispanic students are less likely to attend part-time than white (non-Hispanic) or asian students.

7. Comparatively high proportions of students from the counties around Minneapolis-St. Paul, Rochester and Mankato attend college on a part-time basis. High percentages of part-time students are also drawn from Koochiching, Lyon, Pennington, Nobles and Sherburne counties.

8. Few AVTI post-secondary vocational students have been part-time since funding restrictions limited their participation until 1978. In Fall 1979, 964 post-secondary students, or 3.5% of the total, were reported as part-time.

9. Most part-time students in the AVTIs are participating in adult vocational instruction, a separately funded and delivered program. In 1977-78, adult vocational instruction recorded over 221,000 registrations during a 12-month period. This figure represented an 87% increase since 1972-73.

b. Age

1. In Fall 1978, 19% of Minnesota's undergraduate, non-"extension" students and 74% of the graduate students were at least 25 years old.

2. Altogether, 39,000 students are 25 or older, not counting "extension" enrollments. This number represents an increase of 14,000 or 55% between 1973 and 1978; during these five years, enrollments of younger students rose by only 13%.

3. During ages 25 to 34, women are a smaller proportion of all students than they are at the under-25 cohort. From ages 35 to 59, however, women represent as much as 72% of the enrollments. After ago 60, the sex distribution returns to near equality.

4. In the area vocational-technical institutes 18%, or 4,800 of the 27,300 post-secondary students, are 25 years of age or older, a 112% increase since 1974.

These numbers reflect underlying changes in the demands placed on the post-secondary sector. Like other infusions of new types of students, the state and institutions are forced to respond with new services designed to support their involvement and success in post-secondary education.

4. Future Enrollments

By 1992, the pool of Minnesota high school graduates will shrink by 36%.[6] The population of individuals 25 years of age and over, however, will grow from an estimated 2.3 million in 1980 to 2.9 million in 1995. The 25-34 age group, which represents the most favorable market for returning students, will peak around 1990 and then begin to decline.[7]

Future enrollments of returning students are dependent upon these shifts in the age distribution and on the participation rates of older adults. During the early 1970s, enrollments of returning students, especially women, grew much more rapidly than their sheer numbers in the population. In recent years, participation rates of persons over 25 appear to have stabilized, indicating that future enrollment growth may be derived solely from population changes.

Unless participation rates rise dramatically, few post-secondary institutions will be able to replace their traditional enrollments of 18-to-24-year-olds with older students in the 1980s and 1990s. The propensity of persons over 24 to enroll in credit-bearing instruction is much lower than younger residents, and large percentage increases in their numbers still yield comparatively few additional headcount enrollments. In addition, returning adults tend to be part-time students; nationally, institutions are finding that it takes five or six returning students to yield one full-time equivalent. It also appears that students of traditional college age are reducing their average credit loads.

Nevertheless, population shifts alone will mean that returning students will be an increasingly visible clientele for post-secondary institutions throughout this century. Their numbers will grow and, perhaps

[6] Minnesota Higher Education Coordinating Board, Minnesota Public Post-Secondary Education Enrollment Projections 1979-80 to 2000-01 (September 20, 1979).

[7] Minnesota State Planning Agency, Minnesota Population Projections 1970-2000 (1975).

more importantly, their relative significance to institutions will grow even faster as the number of younger students declines.

The full-time-equivalent enrollment projections published annually by the Coordinating Board incorporate both the decline in high school graduates and the growth in the young adult population. In the projection model, full-time headcount is influenced most strongly by the numbers of recent high school graduates while the part-time headcount is assumed to be related to the size of the 25-to-39-year-old population by region.

In the interaction of these trends, the projections estimate that part-time non-"extention" enrollments at the community colleges, state universities and University of Minnesota will increase from 24% of total headcount in 1980 to 36% in 1994-95. The total growth in part-time headcount is estimated to be 12% at the same time full-time headcount is falling by 38%. Combined, these trends yield a decline in total headcount of about 27%. When translated into full-year equivalents, the projections forecast a decline of 27% to 30% in public collegiate systems during the next 15 years.

II. PROGRAMS

Since the beginnings of public education, equality of access has been a fundamental principle. While this goal is not always achieved, it remains an ideal worth striving for. The state has developed numerous policies to provide geographic, financial, and educational access to a diversity of post-secondary institutions. The context for much of this policy development has been an interest in educational opportunity for recent high school graduates, but it has always been recognized that Minnesota institutions have much to contribute to citizens throughout their lifetimes.

In addition to growing interest by institutions and the public, the availability of programs for part-time and returning students has renewed implications for the state's economic and social well-being. Access to education can further equal opportunity objectives if adults who did not benefit from post-secondary education in youth are able to catch up in their adult years. Also, the pace of technological and social change is expected to continue, and all citizens, regardless of prior education will need continuing educational opportunities to remain skilled and informed throughout life. Modern life calls for a diversity of opportunities to incorporate formal education along with work, leisure, and family activities.

A. MISSIONS OF MINNESOTA POST-SECONDARY INSTITUTIONS

The structure of Minnesota's outreach to part-time and returning students is organized by system and institution. This structure is followed in most states, although a few have assigned some functions to a statewide body. All public post-secondary systems in Minnesota include some form of service to part-time and returning students as part of their basic mission or purpose.

Minnesota's 18 community colleges have stated their intent to be "comprehensive institutions with a community-oriented approach."[1] The stated emphasis is on local residents within commuting distance of the campus. Community colleges are open admission institutions and historically have served both full-and part-time, both degree and non-degree students.

In their written statements of purpose, the state universities place greater emphasis on degree programs than the community colleges. The legislation governing the state universities, however, specifically authorizes them to provide in-service education for teachers and administrators as well as a program of "general adult education."[2] A secondary mission is, therefore, to be regional service institutions offering educational opportunities, cultural activities and community development resources to area residents throughout the state. In recent years, the state universities have broadened the scope and commitment of the regional services concept.

Six state universities are traditional undergraduate and graduate institutions. The seventh, Metropolitan State University, is Minnesota's only post-secondary institutions founded and designed to serve part-time and returning undergraduate students.

At the University of Minnesota, the Board of Regents in 1975 reaffirmed its "interest in making educational opportunities available to students in all parts of Minnesota both through continuing education and extension programs and through classroom offerings on the several campuses."[3] Each University of Minnesota campus has a distinctive purpose within the overall mission. The Twin Cities campus is expected to provide a wide range of options with emphasis on areas where it is the sole state resource. The Morris campus serves residents of west central Minnesota but confines its offerings to the liberal arts and sciences disciplines. The technical colleges at Waseca and Crookston limit their educational services to food and fiber-related curricula. The Duluth campus is a comprehensive regional education center for northeastern Minnesota residents.

In addition to its campus-based programs, the University of Minnesota, the state's land grant institution, administers the Agricultural Extension Service, which provides some non-credit instruction in 87 counties.

Area vocational-technical institutes provide "general orientation, specific preparation, retraining and upgrading"[4] in occupations which require education below the baccalaureate level. Besides their reference to retraining and upgrading as well as entry-level preparation, the AVTIs acknowledge their responsibility to both youth and adults.

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[1]Minnesota Higher Education Coordinating Board, Planning for Fluctuating Enrollments: A Working Paper for the Annual Meeting of Post-Secondary Education Governing Boards (December 7, 1977).
[2]Minn. Stat. Chap. 136.045.
[3]University of Minnesota Board of Regents, "A Mission and Policy Statement for the University of Minnesota" (July 11, 1975).
[4]Minnesota Board of Education, December 14, 1970.

With one or two exceptions, Minnesota's private colleges do not include service to part-time and returning students in their formal statements of purpose. Several colleges, however, are making special efforts to reach such students under their general educational philosophy.

Generally, the roles of systems and institutions in education for part-time and returning students are not differentiated beyond the level and scope of offerings identified for the institution as a whole. Certain differences are implied by claimed service areas, with the University of Minnesota serving the entire state, the state universities serving regions, and the community colleges serving localities. For the most part, the AVTIs also serve localities, but a few schools with unique programs see themselves as serving a statewide in-service clientele in these fields. Service and functional areas overlap and programmatic distinctions are difficult to articulate.

Roles in serving part-time and returning students are viewed as taking two forms. First, non-degree-oriented students are accommodated in credit and non-credit instructional forms. Second, conventional, degree-oriented programs are opened to new clienteles. The next section describes the ways in which post-secondary education is adapting to the needs of part-time and returning students. These methods are found, to varying degrees, in all types of institutions.

B. FINDINGS

1. Instructional Programs in Public and Private Colleges and Universities

While part-time and returning students are found in classrooms alongside "traditional" students, access for many residents is achieved through modification of traditional curricula, delivery methods and student services models.

a. Curriculum Changes

Curriculum changes are designed to appeal to returning students through designs which are tailored to adult roles and occupational requirements. Many individuals are interested in post-secondary education, usually on a part-time basis, to meet short-term interests and needs. Some of these students are accommodated in regular departmental classes, but additional audiences can be attracted by opportunities which are tailored to their separate interests.

In response to these demands, Minnesota institutions are engaged in education for upgrading rather than initial job preparation, interdisciplinary or practical approaches to academic subjects which are

relevant to adults in their roles as citizens, family members, and consumers, and hobby-related and personal-growth education. Conscious service of these preferences on a large scale represents a new emphasis in post-secondary education. It is in this area that formal education is most likely to duplicate the purposes of other organizations.

Some instruction which has been created to attract returning students is offered for academic credit, but other programs are provided on a non-credit basis. Non-credit programs, in particular, are seen as a form of community service. Instructional programs may be programmatically and fiscally indistinguishable from other forms of community service, such as exhibitions and public informational activities. Non-credit instruction also may be seen as a logical extension of the educational functions traditionally performed. In fact, education without the goal of academic credentials may represent the purest form of learning.

Credit and non-credit classes which are not constructed around degree curricula are flexible and responsive to short-term interests and needs. Designing and promoting these activities involve much interaction with the community and professional groups. The flexibility and articulation with the community are especially viewed as the strengths of non-credit programming.

b. Changes in Delivery Method

In order to make their traditional curricula or new curricula accessible to the largest numbers of part-time and returning students, Minnesota post-secondary institutions also modify traditional delivery strategies. For credit instruction, delivery method is often the only difference separating programs targeted to part-time and returning students and programs which are viewed as serving a traditional clientele.

Although a conservative change, rescheduling classes for evenings and weekend is the most common method of reaching employed adults. Evening classes, open to the public, are offered by all public and several private collegiate institutions. The extent of offerings varies with the size of the institution and the surrounding population. A workshop format which concentrates all face-to-face instruction into one or two lengthy meetings is another way in which delivery may be altered to serve returning students.

For returning students who cannot come to campus frequently, changes other than rescheduling are needed. At the simplest level, classroom instruction can be delivered from off-campus locations. Off-campus classes are most extensive and scattered in the state universities. Twelve of the 18 community colleges provided off-campus instruction in 1978-79. The University of Minnesota, Twin Cities serves limited, predominantly suburban locations in the metropolitan area and outstate locations in a few specialized

fields, generally in the health sciences. The University of Minnesota coordinate campuses function as regional resources through classes offered in surrounding communities. With few exceptions, Minnesota's private colleges have not created off-campus extensions. Most off-campus locations and offerings change frequently in response to demand.

Several other delivery methods involve reorganization of the learning process between teacher and student. Since 1892, correspondence study in the home has been used to deliver instruction to students with time or distance barriers to post-secondary education. Modern versions sometimes incorporate television or audio-visual materials in addition to text. Cable television and computer-assisted instruction may become popular delivery methods for serving dispersed populations.

Despite the promise of educational technology, the use of audio-visual and telecommunications materials to expand geographical access has not achieved wide impact. The state universities and the University of Minnesota have some classes recorded on audio or video cassettes. Cable television is expected to expand the potential for educational television, but at present, television courses over public stations in scattered locations represent the norm. University of Minnesota correspondence lessons, in almost 300 courses, can be taken anywhere in the world.

Competency-based instruction, rather than time-based instruction, allows students to proceed at their own pace and schedule. Although used with students of all ages, the method is particularly flexible for adults with time and distance problems. Some competency-based programs allow students to achieve competencies through both school and non-school experiences, a feature which often appeals to adults who have had sufficient experience to understand their own needs and preferences.

c. Availability of Degrees Through Alternative Delivery Methods

The provision of sustained programs of study, culminating in the award of a degree or other certification, is a traditional function of colleges and universities. Although in comparison to younger students, returning students have less interest in a degree, the satisfaction and materials rewards expected from a degree are important to many individuals. Flexible degree paths help atone for past barriers of race, sex, or income which reflect societal failures to guarantee equal opportunity.

Providing access to degrees, however, involves a much longer and more extensive commitment by institutions than individual offerings which do not need to fit into an articulated curriculum. Transferability of credits, academic advising, and credit for prior learning are more important to students seeking a degree than to students who are intermittent participants.

All public collegiate institutions, and many private colleges try to serve the non-degree student by providing instruction at convenient times and places in both the credit and non-credit format. The majority of credit classes can apply toward degree requirements even when they are not scheduled as part of the entire degree curriculum. Other credit classes represent a change in focus from preparatory education to supplemental education and are not useful in fulfillment of degree requirements.

Although all public collegiate institutions make it possible to earn degree credits under a variety of circumstances, in many instances it is not possible to complete a degree, of any type, without attending on-campus, daytime classes for some requirements. The opportunities to earn a degree through unconventional attendance patterns are, furthermore, unevenly distributed across the state.

The most common way that institutions extend opportunities for returning students is through regularly scheduled on-campus evening degree credit classes. All public colleges and many private colleges offer such classes. Institutions differ, however, in the extent to which they organize their evening schedule around degree requirements. Evening undergraduate degrees in a number of majors are generally available at the six metropolitan community colleges and at the University of Minnesota. Several Twin Cities private colleges are also affording an opportunity to complete an undergraduate degree through evening or weekend classes.

Outstate, the availability of evening degree programs is limited. Four of the state universities provide some access to undergraduate degrees during the evening, sometimes through flexible individualized majors which allow students to circumvent departmental requirements that are not offered in the evening. Approximately half of the outstate community colleges schedule evening courses so that an Associate in Arts or equivalent general education degree can be completed during the evening, but occupational programs are rarely accessible to evening students. At other colleges, it may be possible to complete all degree requirements over an extended period, but the evening schedule is not expressly designed for this objective. A student in these circumstances waits until the appropriate classes are offered.

Opportunities to earn a graduate degree during the evening are extremely limited. The University of Minnesota, the state's premier graduate resource, provides this access in only four majors in the Twin Cities. Hamline University and Moorhead State University recently have instituted evening Master in Liberal Arts degrees. The College of St. Thomas offers two master's programs in the evening; Tri-College University in the Fargo-Moorhead area offers one.

With the exception of the East Central Community College Service Center (Cambridge), Mankato State's Prairie Lakes Extended Campus (Fairmont) and programs coordinated by the Coordinating Board's Rochester and Iron Range Centers, single off-campus sites are not used as delivery points for degree programs. The External Studies Programs through

Winona, Bemidji, and Moorhead State Universities, however, assist students in fulfilling undergraduate degree requirements through off-campus classes in several communities, usually in combination with independent study.

More radical restructuring of degree curricula and delivery methods is rare. Metropolitan State University and the University Without Walls at the University of Minnesota have taken different approaches to a competency-based degree in which the student plays an active role in determining degree objectives and assignments. Both programs are located in the Twin Cities. Although the University Without Walls is able to accept students anywhere in the world, outstate enrollments are small and not promoted. The six metropolitan community colleges and Rochester Community College have lower division competency-based programs designed to feed into Metropolitan State.

Because independent study and curriculum planning are significant features of the External Studies and competency-based programs, academic guidance services are crucial as students follow individualized paths. Even with assistance, students need high levels of self-direction and determination.

Another common feature of these programs is recognition for prior non-collegiate learning. Currently, this option is available only to students pursuing a degree through these programs and to selected students at the College of St. Scholastica. The assessment of prior non-collegiate learning so that equivalent academic credit can be awarded is based on a competency model and conducted through a review of the student's life and work experiences.

A more common way that recognition is given for prior learning is through testing. The College Level Entrance Examinations (CLEP) institutionally-written achievement tests are accepted, in some form, at nearly all collegiate institutions. Specific policies on eligible test forms, acceptable scores, credits granted, and limits on credits earned are established locally, often by department. CLEP credits are usually not accepted in transfer unless the standards of the receiving institution are met.

2. Instructional Programs in Area Vocational-Technical Institutes

Non-collegiate vocational-technical instruction is provided to adults through post-secondary and adult vocational education. Post-secondary instruction consists of planned curricula ranging from one to 24 months of full-time study. Post-secondary courses teach entry level and mobility skills to students beginning their occupational training. Adult vocational education provides short programs, usually individual courses, and emphasizes upgrading and retraining of persons with occupational experience. Adult vocational education also incorporates related classroom training for

apprenticeships and consulting and education services to farmers and owners of small business. Post-secondary education is delivered exclusively by area vocational-technical institutes, while adult vocational education is delivered by several school districts and vocational centers in addition to the 33 AVTIs.

Until 1978, post-secondary vocational education required class attendance for six hours a day, five days a week. Recently, part-time programs have been funded as long as they follow the same sequence as a full-time course and meet at least five hours a week. Because of this funding history and tradition, many post-secondary programs remain limited to full-time students. At some AVTIs with crowded facilities, full-time programs have been accessible to working adults through scheduling of additional shifts during evening hours.

Part-time access to post-secondary vocational education is being pursued four ways:

1. Part-time students are allowed to sit in on portions of classes otherwise filled with full-time students.

2. The post-secondary curriculum is designed so that it is entirely self-paced (competency-based) and students set their own schedule.

3. Components of the post-secondary course are offered in sequence as separate courses.

4. Adult vocational education classes which are duplicates of the post-secondary curriculum are scheduled so that a student can complete the entire course.

In order to implement any of these strategies, post-secondary curricula must be segmented into logical, progressively difficult parts. At many institutes this process is just beginning.

Adult vocational instruction is nearly always directed to the part-time and returning student, although occasionally short-term full-time programs for initial job entrants may be pursued with adult vocational funding. Adult vocational offerings are more likely to be provided at off-campus sites and in a wider array of occupations than post-secondary vocational education.

3. Supporting Services

In addition to instructional changes, accessibility for part-time and returning students requires institutions to adjust student and administrative services.

Counseling services need to be provided during evenings and weekends. Specialized counseling staff sensitive to the problems of returning students are necessary to reach some groups.

Similarly, special registration procedures during the evening at off-campus locations or through the mails facilitate the registration of students who are not campus residents. The library, bookstore, and cafeteria need to be open at times accessible to working people.

Successful recruiting of returning students cannot rely on established high school networks. Returning students who are interested in short, non-degree opportunities must be recruited continuously as offerings change.

Special financial aid or lowered tuition charges remove financial barriers when these problems cannot be resolved through conventional-aid programs. Finally, nearby, inexpensive child-care arrangements are necessary for many returning students.

The range of optional supporting services indicates that post-secondary institutions must make changes throughout their operations when they want to create an environment which truly welcomes the returning student. Merely offering instruction at convenient times and places is not enough. Often additional costs are incurred. During budgetary constraints maintaining a diversity of services becomes difficult, especially in the smaller institutions when the numbers of off-campus or evening students do not seem to justify the expense. Decisions to forego supporting services are made easier when the clientele is viewed as peripheral to administrative and faculty concerns. For these reasons, returning students cannot count on having special arrangements made to guarantee the convenience and quality of their educational experience.

C. ISSUES

The following issues are raised as institutions and residents seek to expand the ability of post-secondary education to serve part-time and returning students:

1. What obligation does the state have to extend access to degree programs?

2. What obligation does the state have to extend access to post-secondary education which is not pursued as part of a degree program?

All of Minnesota's 63 public post-secondary institutions have a mission to include part-time and returning students and all, in fact, are making special efforts to make their programs accessible. In addition, many private institutions, although not founded with the part-time and returning student in mind, are opening their doors to more of them.

Returning students, more than students who have devoted their lives to school, are geographically immobile. As a result, the state's decisions on the number and location of post-secondary institutions largely have determined the opportunities available to individuals. Accessibility depends heavily on location, with residents near large multipurpose institutions having the most options and persons far from the campus of a post-secondary institution having few, if any, accessible services. Accessibility grew rapidly during the 1960s when the state was building new colleges and technical institutes. For the rest of this century, the state is unlikely to add any new institutions.

Once public institutions have been located, local decisions and priorities have determined the extent and nature of special provisions for part-time and returning students. There are few statewide policies which have guided these developments, but certain practices, such as evening classes, have become universal. The de facto policy of the state has been to include part-time and returning students in the mission of public institutions, but to leave specific implementation policies to system and local administrators operating under general funding incentives.

As administrators evaluate plans to increase services to part-time and returning students, they face the following barriers:

Mission. Some public and private institutions find extensive access to part-time and returning students to be incompatible with their historic mission.

Faculty Attitudes. Faculty occasionally resist to unconventional class times or altered teaching styles needed to attract returning students.

Faculty Availability. Returning students often prefer popular areas of study for which faculty are scarce.

Expertise. Especially in smaller schools with restricted staffing levels, administrators and faculty may lack the knowledge and skills they would require to design needed programs.

Duplication. Other providers, including other post-secondary institutions, may appear to be meeting local needs.

Demand. It may be difficult to identify areas in which sufficient demand exists to justify a new program.

Costs. Heterogeneous programs and delivery strategies are more expensive than homogeneous programs.

Facilities. Special facilities may be unavailable at the right times and locations.

Quality. In certain circumstances, access can be extended only by sacrificing quality standards and control.

Priorities. Although the needs of part-time and returning students are recognized, institutions face a host of demands, and they may give a low local priority to these needs.

Because of these constraints, it is not possible to provide equal access to all types of part-time and returning students. For practical and academic reasons, certain programs may never become available to students who cannot come to a campus. Other programs may be technically capable of delivery at flexible locations and times, but costs will prevent them from becoming accessible to everyone.

D. CONCLUSIONS

Public attitudes and competing social and economic needs are unlikely to permit major infusions of education dollars in the 1980s. This environment will shape the further development of programs for part-time and returning students even as public needs and demands for these programs are growing.

As resources are being allocated among competing programs state, system, and local priorities will have to be considered. Post-secondary administrators and faculty differ widely in their enthusiasm for teaching part-time and returning students. Should their priorities dictate the level of service? Should the desires of individual students establish program priorities? Should state level priorities dictate local decisions?

To assist in the further evolution of services to part-time and returning students, the state should clarify the extent and nature of its commitment to provide access to this clientele. This commitment should be stated in terms of expected levels of service which establish a floor for local priorities while still permitting flexibility in responding to regional conditions. These guidelines to the Legislature and to institutions will be particularly important during a fiscally stringent era in which non-essential expenditures may be curtailed.

Two visions of future curriculum and delivery methods mark the possible evolution of state policies now and in the coming decades. Widespread participation by adults at all stages of life will require institutions to add new instructional functions. Massive delivery of these services will require radical changes from classroom delivery.

Surveys of the general public confirm that the greatest potential enrollments of part-time and returning students may be found among residents who do not need or want conventional academic programs even when they are accessible in terms of time and place. To what extent should institutions develop new roles and services and to what extent should they improve the attainment of traditional educational goals? A restructuring of the academic environment would entail emphasis on upgrading rather than initial skills preparation, non-credit rather than credit delivery, and on education for midlife roles.

As part of their mission, the state's colleges and technical institutes should engage in both degree-oriented, preparatory work and non-degree-related, continuing education. When resources are limited, however, traditional functions should receive preference. While many returning students will not enroll in courses which are aimed at initial preparation, other organizations and agencies are available to provide continuing education.

The provision of alternative delivery of undergraduate degree curricula is, furthermore, an important way in which post-secondary institutions can demonstrate a desire to reach persons who have not benefited from prior investment in a post-secondary education. Research consistently shows that further education is most desired by those segments of the population which already have comparatively high levels of education. Although continuing education programs for the advantaged are often easiest to start and maintain, residents who have not completed post-secondary education are the preferred recipients of public subsidy of programs for part-time and returning students.

Minnesota post-secondary institutions have nearly ten years experience with various external degree and external studies options. Baccalaureate programs, using different models, are operating through the University of Minnesota (offices in the Twin Cities and Morris) and Metropolitan, Bemidji, Moorhead, and Winona state universities. Residents of regions not reached by these programs must travel to a campus to satisfy degree requirements. Access for these citizens will remain limited unless the state adopts a policy and plan to provide non-campus-based degree program on a systematic basis statewide.

Opportunities could be extended to the entire state through one or more of the following strategies:

1) Increase the capacity of the University Without Walls Program at the University of Minnesota, perhaps in combination with incentives to concentrate additional resources in-state.

2) Establish or re-establish External Studies programs at Mankato, Southwest, and St. Cloud state universities.

3) Expand Metropolitan State University to a statewide services model.

4) Create a new statewide degree program.

Any of these strategies would require major funding as well as a detailed examination of educational objectives, potential markets, and coordination with existing programs. Unfortunately, the fiscal environment immediately facing post-secondary education does not favor the success of such an effort in the near future.

A second factor affecting future levels of service will be the extent, form and structure of technological aids to education. Cable television, video disks and cassettes, telelecture and computer-aided instruction hold great promise for freeing returning students of time and place barriers. Adults in areas far from a post-secondary campus constitute an important underserved group that may be reached in the future through some forms of telecommunications. Minnesota institutions now use these technologies on a limited scale and larger efforts are

developing. As the costs of faculty and student travel escalate, remote means of delivery will become increasingly cost-effective and accepted.

State level initiatives in response to these predictions are, however, difficult to develop. Technological capabilities are expanding exponentially, making it risky to invest heavily in methods and delivery models which are now possible or foreseen. Instructional materials to use with these technologies lag behind the hardware and are, with the exception of telelecture, enormously expensive to create. For economic use, most high quality materials need to be delivered on a large scale. It seems likely that national or regional networks under institutional consortia or private industry will be needed to produce the necessary capital and markets for the most sophisticated materials. While such efforts are underway in other states, their eventual success is still unproven.

The uncertainties of technological change make it unwise for the state to endorse statewide expansion of one particular delivery method. Instead, local and regional efforts should continue until clearly superior models achieve acceptance.

III. CREDIT POLICIES

As collegiate institutions have sought to serve new types of students, academic credit systems have faced challenges in accommodating non-traditional forms of curricula and delivery. Meanwhile, instruction which does not involve academic credit has grown rapidly at many institutions.

If they are to retain their usefulness as educational and administrative units, academic credits must represent some form of accomplishment which can be articulated by the granting college or university. Clearly stated standards assist students, employers and other institutions in evaluating the claimed outcomes of education. If similar standards can be employed by different institutions, student mobility through transfer will be facilitated.

In addition, the credit system should be adaptable to non-traditional forms of education. This principle is particularly important to returning students who often require flexible, innovative methods of instruction. As long as academic credits and degrees retain their importance, students will want to earn this recognition through a variety of delivery methods.

A. FINDINGS

1. Academic Credits

Each institution's faculty determines quality and quantity standards for awarding academic credits. While the degree credit was established in the late nineteenth century to measure progress toward a degree, institutions now award many credits to students who are uninterested in degrees. Credits may, in fact, be assigned to instruction which is intended solely for that clientele. These developments have led to three types of credit: 1) credit which is entered on the student's transcript but not counted toward degree requirements, 2) credit which may be used only to fill elective requirements, and 3) credit which satisfies distribution or major requirements.

The applicability of credits toward degree requirements depends on course content and, depending on institutional policy, the time, place, or mode of delivery. The state universities, for example, frequently restrict the use of off-campus credits. The Graduate College of the University of Minnesota permits a maximum of 40% of degree requirements to be met through Continuing Education and Extension classes.

Some of the new methods of earning credit include credit for prior non-collegiate learning, credit for packaged audiovisual to telecommunications courses developed at other institutions, credit by examination, and competency-based credits. While these methods can be used by all students, they have achieved special emphasis at institutions which are trying to attract part-time and returning students.

Public institutions operate under strong incentives to award academic credit whenever possible because funding is limited to credit production. Non-credit instruction does not generate any additional state aids. These pressures have led, in some instances, to conversion of non-credit instruction to credit programs and to blanket policies to award credit for virtually all instruction. Conversely, credit by examination has been discouraged at some public colleges because the credits awarded are not counted toward funding formulas.

2. Non-Credit Instruction

In comparison to credit instruction, non-credit programs tend to include a broad array of purposes, delivery modes, and clientele. Some programs are academic or vocational in character but do not meet quality or quantity standards for academic credit. Other offerings are on a non-credit basis because they lack an intellectual or theoretical base which is the standard for academic instruction. Some non-credit instruction is provided to children and adolescents.

Until 1968, non-credit instruction lacked an administrative method of recording individual and institutional non-credit activity. The Continuing Education Unit (CEU) which represents ten student contact hours in an organized educational program was developed by the National Task Force on the Continuing Education Unit as an analogous administrative structure to the academic credit. In 1977, the Higher Education Coordinating Board recommended that Minnesota post-secondary institutions, and other organizations engaged in non-credit instruction, adopt the CEU as a unit of measurement and follow the CEU guidelines for planning, evaluation, and record keeping.[1]

In 1980, the CEU is employed, to varying degrees, by most institutions offering non-credit education. It is most common in the community colleges with some colleges assigning CEU's to virtually all non-credit work. A few community colleges rarely use it, arguing that instruction that fits the national CEU guidelines merits academic credit instead. The University of Minnesota and the state universities do not, as a role, use the CEU except when it is useful in meeting mandatory continuing education requirements.

[1] Minnesota Higher Education Coordinating Board, Report to the 1977 Minnesota Legislature (January, 1977).

B. ISSUES AND DISCUSSION

What is the meaning of academic credit as applied to diverse educational programs? This issue has three important implications. First, Minnesota institutions are expected to provide the highest possible quality in all instructional programs. The award of academic credit attests that instruction has met the institution's standards for quality. Second, employers and other post-secondary institutions rely on credits in evaluating prospective employees and transfer students. Finally, state funding levels are largely tied to credit hour production. In the public systems, therefore, the state has a financial stake in the integrity of the credit system.

Responsibility for instructional quality is a fundamental duty of the faculty and administrative leadership of each institution. New forms of curriculum and delivery have increased the complexity of the faculty's credit decisions. Competency-based standards and credit for prior learning require skills in equating non-classroom experiences with classroom programs which have never been explicit in terms of learning outcomes. National standardized examinations, such as the College Level Examination Program (CLEP) and packaged instructional modules developed for widespread use highlight differences in institutional practice, making it difficult for faculty to exercise truly independent standards. New curricula which emphasize occupational advancement, personal growth and hobbies challenge the traditional intellectual and skill levels demanded of credit instruction.

C. CONCLUSIONS

Increased competition in the 1980s will place pressure on institutions to offer students the maximum number of credits for their money and time. At the same time, funding practices based on credit production will provide additional incentives to relax the quantity standards for credits as headcount enrollments decline. Unless institutional faculties remain vigilant and accountable, quality will be difficult to maintain.

While these pressures will eventually be faced in all phases of higher education, the first problems have become visible in non-degree-oriented classes for part-time and returning students. This type of instruction is likely to involve the non-traditional forms of delivery and curriculum which are outside previous institutional experiences. Even when delivery is by classroom methods, the market for intermittent students seeking credits linked to salary advances encourages institutions to be generous in their standards.

This attitude is easiest to adopt when the course offerings are viewed as peripheral to the prestige of the institution and its faculty. Programs for part-time and returning students, especially when a degree is not awarded, fall into this category at many institutions with a traditional academic emphasis.

IV. COORDINATION

During an era of restricted public and private funds for education, it is especially important that post-secondary institutions make efficient and effective use of their fiscal and human resources. Reductions in real funding levels are coming when the public is expecting increasingly flexible educational opportunities. Continued and expanded access for part-time and returning students will be most feasible if services are planned to maximize the diversity and distribution of programs, while minimizing programs which are serving the same clientele.

A. FINDINGS

Coordination among institutions takes place under a variety of local, regional and state arrangements. The most formal coordination occurs within the program review function of the Higher Education Coordinating Board. To the extent that a program for part-time and returning students represents a new major, minor or concentration, planned programs receive a review at the state level which includes an opportunity for all affected institutions and systems to comment. When existing programs are substantially modified to attract part-time and returning students (or for other reasons), program review guidelines require that the changes be communicated to the Coordinating Board staff. Examples of such changes would include extending an existing major to an evening, off-campus, or independent study format. Should these changes entail potential duplication of service or unnecessary cost, the program may receive a full review.

Many instructional activities designed for part-time and returning students take place outside the framework of a organized degree program. Individual credit and non-credit courses are not reviewed by the Coordinating Board but are occasionally coordinated through other means. The Coordinating Board's

regional centers in Rochester, Wadena and on the Iron Range coordinate credit offerings among post-secondary institutions serving these areas. In most instances, the clients for their services are part-time and returning students. To a lesser extent, non-credit offerings are also coordinated through the regional centers' staff and advisory committees.

For areas not covered by a regional center, coordination sometimes occurs through voluntary associations and through informal communications networks. Associations or organizations providing non-credit instruction, such as the Itasca Continuing Education Council, have been formed in several communities to coordinate services and advertising. In most locations, however, coordination takes place on an as-needed basis. Institutions frequently work with community organizations in assembling students and resources for off-campus classes and for non-credit offerings. In fact, because funding for non-credit instruction in collegiate institutions is severely restricted, more non-credit programs are offered jointly with other agencies and institutions than is the rule with credit programs.

In the absence of planned coordination, uneconomic duplication is eventually eliminated because programs cannot be sustained without student demand. What may happen, however, is a sharing of the market in which identical demands are being satisfied by multiple providers while other needs are unmet. Waste also occurs because planning efforts are devoted to implementing classes which turn out to be unsuccessful in attracting students.

E. ISSUES AND DISCUSSION

Instruction for part-time and returning students has revealed new aspects of competition and coordination that deserve thoughtful discussion at all levels. Issues include:

1. How can flexibility be preserved while safeguarding the public's interest in use of resources?

2. Who is responsible for identifying and responding to a community's education needs?

3. Since organizations outside formal post-secondary education are providing similar services, which agencies and institutions are necessary for a useful coordination process?

4. How can conflict be resolved?

5. At what geographic level should coordination occur?

Non-profit post-secondary institutions are service organizations, and they best perform their functions by identifying areas of need that are within their area of competence. In serving its public, an institution must be knowledgeable

about other available instruction in order to avoid redundant programs. Communication with other providers, furthermore, strengthens an institution's ability to identify areas of unmet need.

Coordination, however, costs money, both in direct costs and administrative time. These costs must be measured against the expected benefits. In many institutions, the unit serving part-time and returning students is charged with responding to short-term needs on an immediate basis. Instructional flexibility is also an inherent component of many programs. Lengthy coordination procedures would endanger the ability of institutions to offer some instruction which represents appropriate services to their communities.

When common understandings of highly differentiated missions prevail, the need for some forms of planned coordination is minimal since the spheres of activity are separate. Non-competing missions also encourage voluntary cooperation between programs. When functions are less differentiated, as is the case for many services to part-time and returning students, the need, but not the incentive, for continual communication is high since participants will have to work out arrangements on a case-by-case basis.

Lack of coordination is confusing to the public and erodes support for programs serving part-time and returning students. Many programs are new and the public's acceptance of continuing study throughout life is still developing. To maintain and increase the flexibility to serve part-time and returning students, institutions must not allow the public and elected representatives to become cynical about their motives. Cooperation is one way of demonstrating to the public that their interests are being served. Cooperation can also encourage public participation by increasing the consistency and visibility of promotional messages, reducing the impression created by a bewildering array of opportunities, and making it possible for courses taken at several institutions to fit together, even if a degree is not sought.

In order of their significance for coordination problems, relevant programs serving part-time and returning students can be summarized as:

1) Off-campus credit and adult vocational classes

2) Off-campus non-credit classes

3) On-campus credit and adult vocational classes which are directed toward the part-time student

4) on-campus non-credit classes

This order is identified because the relative investment in state funds in the public institutions makes credit classes more significant than non-credit classes. In this context, adult and post-secondary vocational offerings through the area vocational-technical institutes are similar to credit classes because they are subsidized by the state.

Off-campus classes pose difficulties in coordination which go beyond the potential problems of on-campus activities. The presence of off-campus satellites is easily perceived as a threat to other institutions serving the area.

In the case of public institutions, the state had distributed campuses in all geographic regions, and off-campus offerings can upset the planned balance of services.

Despite these problems, institutions must be allowed some flexibility in deciding where they will offer their programs. The appropriateness of a particular location and program is dependent on the presence of other institutions capable of serving the same function, the willingness of other institutions to provide services near that location, and the capability of the sponsoring institution to transport the course successfully. The results of these considerations may vary from course to course and from year to year. For example, it may be appropriate for a state university to offer a lower division course 10 miles from a community college if the community college does not have resources in that discipline or is unwilling to respond to a request for a class in that location. Fixed boundary lines would not allow this flexibility and an attempt to make these decisions centrally would become hopelessly complex. Local and regional coordination is also preferred for most courses because these are the levels of audience they are intended to reach.

C. CONCLUSIONS

In many areas, Minnesota's post-secondary institutions have demonstrated their responsibility to the public and to each other by participating in both formal and informal forms of coordination. The state should recognize and encourage these efforts rather than superimpose an entirely new structure. A prescribed structure and membership might, furthermore, unduly limit service to some geographic areas or leave out important providers outside formal post-secondary education. The number and types of other regular providers differ from location to location, but successful cooperation has been achieved in many areas under local leadership.

Despite existing voluntary coordination, current problems include sporadic incidence of duplication and many rural areas which are not now served with some types of programs. The future period of declining enrollments poses two dangers. First, institutions may dramatically increase services to part-time and returning students to shore up their enrollments. As the levels of individual activity and competition increase, duplication and waste of effort could become severe.

Alternatively, as enrollments and resources drop, institutions may react by consolidating their resources into on-campus, daytime programs. Access for part-time and returning students will suffer unless institutions find ways in which to cooperatively offer programs that meet regional and local needs.

As cable television and other technologies increase the potential for expansion to large geographic areas, it will be especially important to encourage discussion about planned off-campus programs.

At some point, educational technology will raise issues requiring specific state level policies, but the exact form these issues will take is still conjectural. For example, satellite transmission will bring out-of-state institutions to Minnesota in new ways. Will new regulations on their activities be needed? Investments in statewide systems may become more economical then institutional purchases. How should these systems be funded and administered? Cable television access may be sought by the majority of post-secondary institutions. If they begin competing for broadcasting space and time, how should allocations be made?

These questions cannot now be answered because (1) it is not known which technologies will survive or how they will be marketed, (2) federal and state telecommunications regulations which will establish the rules for all broadcasting and transmission are in transition, and (3) academic and organizational arrangements within institutions are yet to evolve. Nevertheless, it will be important to remain alert to developments in the use of educational technology and propose specific state actions as they become necessary.

V. FINANCIAL AID

Through programs administered by the Higher Education Coordinating Board, Minnesota spent over $20 million to provide scholarships, grants and tuition subsidies to Minnesota residents attending in-state post-secondary educational institutions in Fiscal Year 1980. In addition, the state allocated over $2 million to student employment and facilitated $51 million in student loans. These funds were distributed to achieve the state's goals of access and choice for all Minnesota citizens desiring post-secondary education. The primary purpose of Minnesota financial aid programs is to insure that financial need is not a barrier to participation.

A. FINDINGS

Federal and state financial aid programs have served the public interest well by encouraging equal opportunity to post-secondary education.

Part-time and returning students, however, are at a disadvantage in applying for financial aid because the eligibility criteria and delivery systems have been deliberately designed with the young, single student with no ongoing financial obligations in mind. Changes have been incremental and reflect an underlying ambivalence about the public's obligation to support part-time students and students with other financial commitments.

For the 1979-80 academic year Minnesota's scholarships and grants-in-aid, the flagship state financial aid programs, served only 705 or 3% of the undergraduate, non-extension students over 25. In contrast, 25% of the undergraduates under age 25 received awards. Reasons for under-representation of older students include the following:

1. Part-time students are ineligible (although another grant program serves some of them);

2. Students who are not in degree programs are ineligible;

3. Self-supporting students are expected to dedicate all of their income and more of their assets to their education than students who are supported by their parents.

The eligibility of part-time students for the major federal and state student aid programs is summarized in Table 1. With the exception of tuition reciprocity, none of these programs admit students who are not enrolled in credit classes as part of a degree program.

Table 2 illustrates the effects of the award computation models for dependent and self-supporting students. In the example given, a parent and child are attending the same post-secondary institution. Because differing computations are used to determine state scholarship and grant awards, the child would receive a grant of $804 and the parent would be denied aid. Similar analyses would result in the parent failing to qualify for federal need-based awards.

In addition to the above barriers, returning students face the following conditions which restrict their financial access to post-secondary education:

1. Returning students who have been working usually must drastically lower their standard of living in order to return to school full-time;

2. Financial aid is not awarded to support dependents, or if awarded, the amount is inadequate to support a family;

3. Financial aid information and procedures are not easily accessible to returning student who cannot make use of high school counselors and financial aid offices open only during the day;

4. Part-time and returning students may receive a low priority for campus-based financial aid.

Except for government manpower programs, other aid available to part-time and returning students - namely tuition aid and tax deductions - does not encourage equality of opportunity. These sources, (which together subsidize about one-fourth of University of Minnesota, Twin Cities Continuing Education and Extension students) favor individuals who already have relatively high levels of education and income.

At one extreme, other forms of subsidy favor low income, unemployed persons who want to study full-time and, at the other extreme, middle income individuals who will maintain their employment while attending part-time. Significantly, most subsidies offered outside the conventional student aid programs are limited to occupationally-related courses of study. Although occupational interest is a primary educational objective for returning students, their motivations are as diverse as the goals of other post-secondary students who receive financial aid.

Table 1

Eligibility of Full and Part-Time Students
for Major Federal and State Student Aid Programs

Program	Eligibility		
	Full-Time	At Least Half-Time	Less Than Half-Time
FEDERAL			
Basic Educational Opportunity (Pell) Grants	X	X	
Supplemental Educational Opportunity Grants	X	X	
National Direct Student Loans	X	X	
College Work-Study	X	X	
Guaranteed Student Loans	X	X	
STATE			
Scholarships and Grants-in-Aid	X		
Nursing Grants	X		
Part-Time Student Grants		X	X
AVTI Tuition Subsidy	X	X	X
State Work-Study	X	Student may drop to part-time status if enrolled full-time when award was started.	
Tuition Reciprocity	X	X	X
State Student Loans	X	X	
Medical and Osteopathy Loans	X		

Table 2

Comparison of Aid Awarded to
Dependent and Self-Supporting Students Using
1980-81 State Scholarship and Grant Methodology[1]

	Child's Application (Dependent)		Parent's Application (Self-Supporting)	
COMPUTATION OF FAMILY AND STUDENT CONTRIBUTION				
Income Base Period	Previous Calendar Year (12 Months)		Estimated Academic Year (9 Months)	
Gross Income during base period		$18,000		$13,500
Less:				
Federal Income Tax	2,236		1,677	
Social Security Tax	1,103		827	
State and other taxes	1,080		Not used	
Medical/dental expenses	0		Not used	
Employment expenses	0		Not used	
Maintenance offset for other family members[2]	9,870	14,289	3,860	6,364
Equals: Available Income		3,711		7,136
Total Net Worth		36,000		36,000
Less: Asset Protection		30,500		21,200
Equals: Discretionary Net Worth		5,500		14,800
X Asset Conversion Rate		12%		35%
Equals: Income Supplement		660		5,180
Total: Available Income + Income Supplement		4,371		12,316
X Taxation Rate		22%[3]		100%
Equals: Contribution from income and assets		961		12,316
+ Number in post-secondary education		2		Not Used
Equals: Contribution for applicant from family		480		12,316

Table 2 (Continued)

Comparison of Dependent and Self-Supporting Models Using 1980-81 State Scholarship and Grant Methodology[1]

	Child's Application (Dependent)	Parent's Application (Self-Supporting)
Student's assets	1,000	Included above
X Asset Conversion Rate	35%	Included above
Equals: Contribution from student's assets	350	Included above
Plus: Student's self-help	700	700
Equals: Student's contribution	1,050	700
Total: Contribution from family + student's contribution	$1,530	$13,016
COMPUTATION OF AWARD		
Tuition and Fees	1,000	1,000
Plus: Living Allowance	1,750	1,750
Plus: Misc. Allowance	1,000	1,000
Equals: Cost of Education	3,750	3,750
X % recognized	85%	85%
Equals Budget for Computation	3,188	3,188
Less: Family and Student Contribution	1,530	13,016
Equals: Financial Need	1,658	0
X % recognized	50%	50%
Equals: Award Before BEOG Adjustment	$829	0
Estimated BEOG	440	0
Award after BEOG Adjustment	804[4]	0

[1]Assumptions:
a) Total annual income = $18,000.
b) All income is taxable and earned by one parent over 12 months.
c) Family consists of two parents and two children.
d) One parent and one child are attending post-secondary education.
e) Parents net assets = $36,000.
f) The dependent applicant has $1,000 in savings.
g) Tuition and fees = $1,000

[2]Standard maintenance allowances are based on family size.

[3]The taxation schedule for dependent students is progressive. Marginal tax rates vary from 22% to 47%.

[4]The dependent student's state grant is reduced so that the BEOG and state grant do not exceed 75% of $1,658 or $1,244.

Within the past three years, the legislature and the Higher Education Coordinating Board have taken four steps which have increased the access of part-time and returning students to the state financial aid programs. The age limit on the AVTI tuition subsidy program has been lifted, upperclass students have become eligible for initial grant awards, the off-campus living allowance has been made equal to the allowance for students in college housing, and the Part-Time Student Grant Program has been established. Future revisions affecting part-time and returning students will be considered as part of an evaluation process which will determine the long-range direction of the state's policies.

B. ISSUES AND DISCUSSION

In the context of this study, the issues are:

1. Should the state alter its financial aid policies to make them more or less accessible to part-time students? To returning students?

2. Should students who are not in degree programs be eligible for some forms of aid?

3. How can the state most efficiently and effectively provide aid to part-time and returning students?

These issues are linked to questions of funding for programs serving part-time and returning students. Institutional funding levels depend, in part, on the availability of financial aid to assure that necessary tuition charges will not exclude students with financial need. In comparison with other students, part-time and returning students will be more or less affected by funding policies depending on their relative ability to absorb costs through their own resources and the aid available to them.

The staff of the Higher Education Coordinating Board is reviewing long range goals for the state aid programs, with an eye to consolidating and revamping existing criteria and procedures. The study on part-time and returning students has provided an opportunity to introduce the concerns of this population into that process. So far, Minnesota has linked its aid programs to federal practices, making significant departures an exception. Federal financial aid policies in response to these issues are under political pressure and are subject to change.

C. CONCLUSIONS

Under present aid policies, efforts to increase tuition will affect access for part-time and returning students who are ineligible for relief from outside funds. The most seriously affected students are self-supporting individuals

with dependents who want to attend on a part-time basis to qualify for a new occupation or to satisfy non-occupational goals. These students are unlikely to qualify for conventional student aid, tuition aid, or tax benefits, and they will bear the full brunt of increased tuition. In this respect, the student aid programs, which act as a safety valve for increased tuition, fail to cushion against reduced participation. Lowering tuition for continuing education for professional employees of major industries, however, may subsidize employers more than students.

While changes in student aid are considered, post-secondary institutions can improve access to existing financial aid through office hours and procedures which are sensitive to the constraints of returning students. Improvements in information content and distribution channels at both the state and local level also may lead to increased awareness of financial aid prospects. Finally, because part-time students often need relatively small sums for direct educational expenses, locally raised and administered funds may provide a highly flexible way of meeting immediate needs.

VI. FINANCING PROGRAMS

A. INTRODUCTION

The funding of instruction in Minnesota public post-secondary institutions varies according to the time, place or method of delivery. Significantly, funding distinctions made in the appropriations process mean that many programs for part-time and returning students are less generously supported with public funds than "regular" instruction. Moreover, some state policies never have consistently applied to each of the public systems. As a result, similar programs are funded differently depending on the sponsor.

This chapter reviews the state funding policies affecting part-time and returning students. The information illustrates funding practices which govern system appropriations. Within these appropriations, decisions made at the system and local levels also affect the availability of instruction for part-time and returning students, but are not reviewed in detail here.

It is assumed in this chapter that state funding policies should provide incentives for achieving goals which have been established for the state as a whole. Funding policies should encourage system and campus-level decisions which will enhance a mutual desire to offer high quality post-secondary education to Minnesota residents.

Within broad sets of statewide objectives of quality, access, choice and efficiency, funding mechanisms should allow system and campus decision makers the freedom to respond to local priorities because the day-to-day responsibilities for delivering post-secondary education rest with local administration and faculty. State funding mechanisms should encourage, not hinder, institutional flexibility so that post-secondary institutions are able to respond to local and changing needs.

This chapter presents findings on three principal questions as they relate to the financing of programs for the part-time and returning student:

- What are the variations between public collegiate systems in the funding of credit instruction?
- What are the funding arrangements for non-credit activities in public colleges and universities?

- How is vocational education funded?

Findings on funding and pricing policies will be presented and analyzed by system (area vocational-technical institutes, community colleges, state universities, and the University of Minnesota). Presentation of the findings will be followed by identification of conclusions and issues derived from the significant findings.

B. FINDINGS

1. Overview

The funding arrangements for instruction of part-time and returning students differ along the following two dimensions:

- Funding policies

  The extent to which the state, through the appropriation process, takes responsibility for funding program costs.

- Pricing policies

  The extent to which persons administering the program control the prices charged to students.

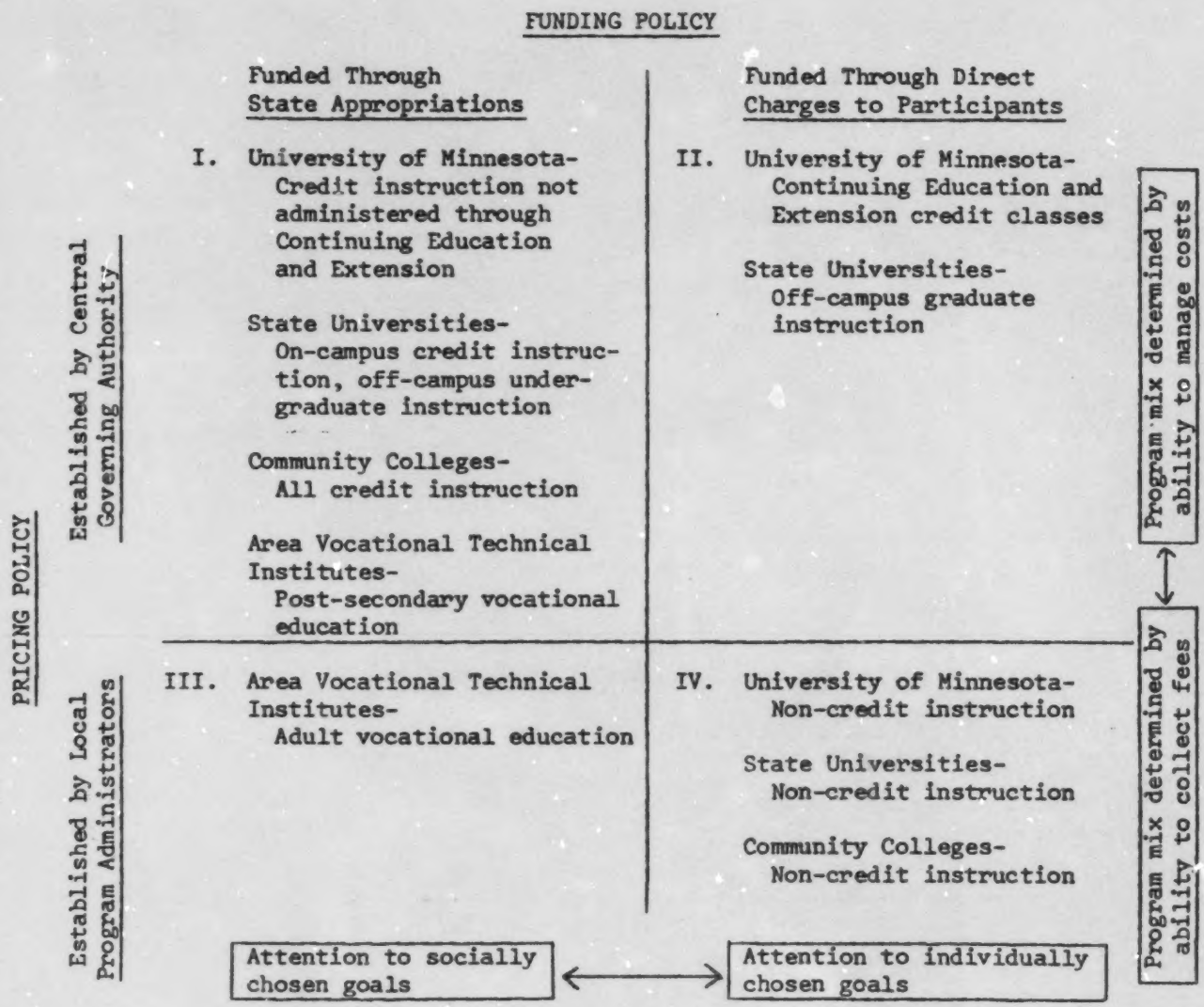
These dimensions are illustrated in Figure 1. As shown, selected programs for part-time and returning students can be found operating under all four combinations of funding and pricing policies.

a. Funding Policies

Funding policies are the more crucial of the two dimensions. All programs receive funding both through student charges and support from public funds, but the proportion of program costs borne by participants and the state varies greatly. Now, similar programs may receive different funding within a single system or similar programs may receive different funding because they are in different systems.

The state provides direct subsidies to post-secondary and adult vocational education offered by AVTIs, all credit instruction at the community colleges, credit instruction at the state universities except for off-campus graduate programs, and credit instruction at the University of Minnesota except for courses offered by Continuing Education and Extension. Other variations in the level of state support result from system decisions in each budgeting cycle.

Figure 1. Funding and Pricing Policies Applying to Programs for Part-Time and Returning Students


FUNDING POLICY
Funded Through State Appropriations
Funded Through Direct Charges to Participants
PRICING POLICY
Established by Central Governing Authority
Established by Local Program Administrators
I. University of Minnesota- Credit instruction not administered through Continuing Education and Extension
State Universities- On-campus credit instruction, off-campus undergraduate instruction
Community Colleges- All credit instruction
Area Vocational Technical Institutes- Post-secondary vocational education
II. University of Minnesota- Continuing Education and Extension credit classes
State Universities- Off-campus graduate instruction
III. Area Vocational Technical Institutes- Adult vocational education
IV. University of Minnesota- Non-credit instruction
State Universities- Non-credit instruction
Community Colleges- Non-credit instruction
Program mix determined by ability to manage costs
Program mix determined by ability to collect fees
Attention to socially chosen goals
Attention to individually chosen goals

Other programs for part-time and returning students are required by the state to be "self-supporting." Self-supporting programs include Continuing Education and Extension at the University of Minnesota, the off-campus graduate programs of the state universities, and non-credit instruction in the three public collegiate systems.

Self-supporting programs rely on student charges to pay all direct costs of instruction. In practice, substantial state support is invested because the costs of the physical plant, student services, general administrative offices and academic support operations rarely are attributed to the costs of these programs. Furthermore, the costs of direct program administration and supplies may be borne by state appropriations to the institutions. Indirect instructional costs represent approximately half of the total operating budget in each system.

As shown in Figure 1, in self-supporting programs, planning and execution must be more sensitive to student demand than in programs which are directly subsidized by the state. The break-even point for a self-sustaining class requires a higher minimum enrollment than a subsidized class with similar costs. It is difficult for these programs to offer socially desirable services for which demand is low or individuals are unable to pay. In contrast, funded programs operate under an array of forces designed to ensure that objectives other than income from fees are met. As a result, funded programs usually have less local flexibility than programs which do not rely on tax-generated sources of income.

b. Pricing Policies

In the public colleges, prices charged to students for credit instruction are set by the governing authority based on total revenue needs and legislative intent. The governing body determines which tuition classes will be created and the basis for determining the tuition rate for each class. Tuition for post-secondary vocational education is set by the legislature.

Tuition schedules which charge for each credit hour are usually fairer to part-time students than policies which establish a fixed rate for full-time students regardless of course load. The University of Minnesota is the only public system using a preferential rate for full-time students.

Policies regarding the payment of student service fees are another pricing element set by the governing boards. Some systems waive student services fees for off-campus or other students on the grounds that the activities from the fund rarely benefit them.

In contrast to predetermined tuition or fee rates, adult vocational education and non-credit instruction in collegiate institutions operate under flexible fee schedules established locally. In setting fees for these programs, administrators usually aim for the break-even point on individual classes. Less commonly, the same fees may be charged for a

grouping of classes with an intent to break-even on the entire program or subprogram. At their discretion, administrators may also choose to vary their fees according to the clientes' ability or willingness to pay.

Flexible fees are adaptable to heterogeneous delivery, while fixed rates discourage variable delivery strategies. A disadvantage of flexible fees, however, is that different charges may be made for similar offerings at different institutions, depending on local pricing strategies.

As illustrated in Figure 1, the type of pricing mechanism can affect the diversity of offerings. When fees are fixed, costs must be managed so that low cost programs can offset high cost programs. In these instances, market characteristics and size of the total program have important effects on the ability to offer low enrollment classes or other high cost instruction.

When programs set their own fees, low enrollment and other high cost offerings can be available as long as participants accept the necessary fee levels. As a result, locally determined fees may permit high cost programs to be offered in locations that would be unable to support them in fixed fee situations.

The following sections display the funding patterns at the area vocational-technical institutes, community colleges, state universities, and the University of Minnesota. All data reported in these sections represent direct instructional costs only.*

2. Area Vocational-Technical Institutes

Area vocational-technical institutes provide two types of vocational instruction which are related, but fiscally separated.

Post-secondary vocational-technical education is the major type of instruction, absorbing $102.5 million in total operating expenditures during Fiscal Year 1979. The purpose of the post-secondary program is to prepare students to attain entry level employment in fields requiring non-baccalaureate vocational-technical training. State funding for instruction is provided to local districts according to a formula which takes into account both enrollments and costs. Other state appropriations fund purchase of supplies, support services, capital expenditures and high cost post-secondary vocational programs.

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*In the program budgeting format these expenditures are found in the Instruction and Departmental Research Program. The proportion of costs paid by student tuition or fees has been shown for the different funding arrangements. These percentages are not comparable to the burdens displayed in the Board's August 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration. It is not possible to allocate these expenditures to individual types of instruction under existing accounting practices.

The second type of instruction offered by AVTIs, adult vocational education, is geared primarily upgrading or retraining rather than entry level skills. On occasion, however, the adult vocational program is used for entry level preparation, especially when short programs are needed to train or retrain the unemployed.

Adult vocational education is funded by student fees set by the local adult vocational coordinator, state reimbursement of salary and travel costs, special grants from the state and other sources, and miscellaneous income such as the sale of used supplies. Local districts receive reimbursement for up to 75% (depending on availability of funds) of the salaries of essential licensed personnel and 50% of necessary travel between instructional sites. To receive reimbursement, classes in a single occupational area must average at least 10 persons. Licensed personnel include the coordinator of adult vocational education and most instructors.

Total regular adult vocational reimbursements in Fiscal Year 1979 were $5.4 million; $4.5 million, or 83%, was reimbursed to 33 AVTIs (Table 3). The remainder was used for adult vocational programs at secondary vocational centers and several school districts without an AVTI. Some districts operated their adult vocational programs at a loss, while others generated a surplus. State law requires all adult vocational funds be used for that type of instruction.

In total, student fees paid for 35.7% of Fiscal Year 1979 adult vocational expenditures. Fees ranged from $0.12 to $5.64 per student contact hour (Table 4).

In contrast, post-secondary vocational students paid, on the average, 17.8% of their direct instructional costs of $63.9 million in Fiscal Year 1979 (Table 5) and were charged $0.35 per clock hour for all programs. In addition to direct instructional costs, AVTI support services and plant operations are viewed as part of post-secondary vocational education. Adult vocational students benefit from some of these expenditures, chiefly central administrative services and facilities. Where adult programs are in the same fields as post-secondary programs, they also use specialized equipment which has been purchased for post-secondary training.

The 35.7% of instructional costs paid by adult vocational students must be viewed in the context of these unmeasured subsidies which flow from the post-secondary to the adult programs. Each district sets its own policies regarding the use of AVTI equipment, space, supplies and services. Despite these cost allocation problems, adult vocational students clearly pay a much greater proportion of costs than post-secondary students.

Districts also vary greatly in the relative magnitude of adult vocational instruction in the operation of the AVTI. As the adult portion grows larger, it becomes more difficult to subsidize supply and other costs through the post-secondary budget.

TABLE 3

Sources of Funds Spent on Adult Vocational Education
in Minnesota AVTIs, Fiscal Year 1979

AVTI	Fees	Reimbursements	Grants	Misc.	Total Sources of Funds	Deficit (Surplus)	Total Expenditures
Albert Lea	$ 18,710	$ 22,826		$ 3,115	$ 44,651	--	$ 44,651
Alexandria	65,367	86,815			152,182	$ (2,064)	150,118
Anoka	80,647	129,044			209,691	(8,563)	201,128
Austin	61,106	77,305	$ 3,000	2,516	143,927	14,382	158,309
Bemidji	36,439	63,692			100,131	2,878	103,009
Brainerd	53,748	67,554	15,030	40,800	177,132	(1,395)	175,737
Canby	39,014	113,543		5,652	158,209	13,895	172,104
Dakota County	136,672	195,685			332,357	(13,577)	318,780
Detroit Lakes	52,543	119,441		129,735*	301,769	(3,955)	297,814
Duluth	74,411	167,643			242,054	12,967	255,021
East Grand Forks	21,395	21,057	27,462	4,329	74,243	5,414	79,657
Eveleth	43,201	114,357	9,137		166,695	(6,670)	160,025
Faribault	71,553	114,220	2,476		188,249	3,710	191,959
Granite Falls	44,710	104,132	6,540		155,382	(989)	154,393
Hibbing	34,674	92,654			127,328	12,506	139,834
Hutchinson	32,819	49,687		3,500	86,006	(5,101)	80,905
Jackson	27,649	69,784			97,433	28,845	126,278
Mankato	108,046	157,012	6,871		271,929	(10,788)	261,141
Minneapolis	208,198	405,233		16,228	629,659	41,627	671,286
Moorhead	31,921	53,920			85,841	569	86,410
Pine City	31,026	49,084		9,507*	89,617	341	89,958
Pipestone	34,000	77,748			111,748	1,391	113,139
District 916	206,963	229,851		11,272	448,086	119,084	567,170
Red Wing	39,657	54,639	7,466		101,762	892	102,654
Rochester	69,141	92,530	83,319		244,990	(1,276)	243,714
St. Cloud	75,000	136,701			211,701	(887)	210,814
St. Paul	395,192	677,358			1,072,550	--	1,072,550
Staples	12,830	95,085	18,893	10,668	137,476	11,602	149,078
Suburban Hennepin	825,258**	882,861**	127,511**		1,835,630**	(6,114)**	1,829,516**
Thief River Falls	49,944	130,075		10,340	190,359	1,825	192,184
Wadena	75,810	70,587	32,955	30,584*	209,936	(4,295)	205,641
Willmar	77,770	89,201	24,055		191,026	4,402	195,428
Winona	12,148	8,679		2,393	23,220	(5,393)	17,827
TOTAL	$3,147,562	$4,820,003***	$364,715	$280,689	$8,612,969	$205,263	$8,818,232

*Includes some grants as well as other miscellaneous income.
**Fiscal Year 1980 data
***Total reimbursements equaled $4,496,044 when actual Fiscal Year 1979 State Department of Education data for Suburban Hennepin AVTI.

SOURCE: AVTI adult vocational directors, State Department of Education

Table 4

Adult Vocational Education Fees
Fiscal Year 1979

AVTI	Fees as % of Total Expenditures	Fees Per Contact Hour
Albert Lea	41.9%	$1.61
Alexandria	43.5	.25
Anoka	40.1	.35
Austin	38.6	1.56
Bemidji	35.4	1.03
Brainerd	30.6	.15
Canby	22.7	.12*
Dakota County	42.9	.97
Detroit Lakes	17.6	.42
Duluth	29.2	.31
East Grand Forks	27.5	.45
Eveleth	27.0	.32
Faribault	37.3	1.73*
Granite Falls	29.0	.24
Hibbing	24.8	.33*
Hutchinson	40.6	.89
Jackson	21.9	1.12
Mankato	41.4	N/A
Minneapolis	31.0	N/A
Moorhead	36.9	.56
Pine City	34.5	5.64
Pipestone	30.0	2.06
District 916	36.5	N/A
Red Wing	38.6	1.94
Rochester	28.3	.56
St. Cloud	35.6	N/A
St. Paul	36.8	.44
Staples	8.6	.25
Suburban Hennepin	45.1**	.90**
Thief River Falls	26.0	1.30
Wadena	36.9	1.18
Willmar	39.8	.90*
Winona	68.1	.64
TOTAL	35.7%	$ .55

*Contact hours do not include adult farm management, veteran's farm management, or small business management.
**FY 1980 data

SOURCE: Calculated from Table 3 and contact hours estimated by adult vocational directors.

TABLE 5

Comparison of Adult and Post-Secondary
Vocational Education Funding FY 1979

	Direct Instructional Expenditures	Student Tuition	% of Direct Instructional Costs Paid by Students[2]	ADM	Direct Instructional Expenditures Per ADM
Post-Secondary[1]	$63,903,327	$11,354,550	17.8%[3]	31,010	$2,062[3]
Adult	$ 8,818,232	$ 3,147,562	35.7%	4,416[4]	$1,610[4]

[1]Direct instructional cost includes Instruction and Related Instruction expenditures.
The percentages shown are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration.
[3]When revenues from resale of supplies and equipment of $8.0 million are offset against instructional cost, the student's share rises to 20.3% and the cost per ADM drops to $1,802.
[4]Includes only AVTIs reporting contact hours. 1,050 contact hours converted to one ADM equivalent.

SOURCES: State Department of Education, adult vocational directors (See Table 3).

3. Community Colleges

The community colleges operate under single legislative funding approach for credit instruction regardless of location, time or administrative practice. All credit instruction is subsidized by the state.

To illustrate, based on proportionate credit activity, the community colleges spent an estimated $3.7 million on evening on-campus instruction and on off-campus instruction during Fiscal Year 1979 (Table 6). The Community College Board office believes that these instructional costs may be overstated because part-time, adjunct instructors who predominate in off-campus and evening programs are paid less than full-time instructors used in the day classes.

If differential practices in faculty assignment are ignored, on the average community college students taking credit classes pay approximately one-half of direct instructional and administrative costs through tuition. By campus, the percent paid by students varies between 25% to 63% because instructional costs are proportionately higher at smaller colleges. The students' share of total educational expenditures is much less, of course, when academic support, student services and plant operations are considered.

Each campus has designated one or more individuals who are responsible for all non-credit instruction. Generally, these administrators are state-supported although a few large campuses have chosen to fund additional support personnel out of fees income. The ability of each campus to staff non-credit instruction with funded positions is tied ultimately to credit enrollments since position and fund allocations are based solely on credit production.

The sources of support for non-credit instruction and other community services are shown in Table 7. Fiscally, these activities are treated as a unit. Total expenditures during Fiscal Year 1979 were $1.4 million with participants in these activities paying approximately one-half of the direct costs through various fees.

Austin and Vermilion Community Colleges have worked out cooperative agreements with their local community education programs. These agreements allow the community colleges access to community education tax levies and legislative appropriations to support non-credit instruction in fulfillment of the colleges' community services function.

4. State Universities

Funding of credit programs offered by the state universities differs by the location and level of the course.

All on-campus classes and off-campus undergraduate courses are budgeted through the regular allocation process. Off-campus graduate courses, regardless of sponsoring administrative unit, have not received direct state funding since 1977-78 when the State University Board requested legislative permission to reallocate approximately $532,000 in state expenditures for

TABLE 6

Community College Sources of Income
for On-Campus and Evening/Weekend
Credit Instruction FY 1979

	Student Tuition	Other State Appropriations	Total
Anoka-Ramsey	211,680	255,449	467,129
Austin	31,860	50,399	82,259
Brainerd	36,180	43,913	80,093
Fergus Falls	27,540	46,977	74,517
Hibbing	24,300	41,332	65,632
Inver Hills	317,520	265,073	582,593
Itasca	34,020	46,570	80,590
Lakewood	172,260	130,094	302,354
Minneapolis	137,700	142,647	280,347
Mesabi	34,560	49,172	83,732
Normandale	262,440	157,129	419,569
North Hennepin	333,180	233,528	566,708
Northland	43,200	59,588	102,788
Rainy River	22,680	37,728	60,408
Rochester	92,340	87,023	179,363
Vermilion	15,120	13,832	28,952
Willmar	37,800	35,266	73,066
Worthington	34,560	97,583	132,143
TOTAL	1,868,940 (51.0%)	1,793,303 (49.0%)	3,662,243 (100.0%)[1]

[1]The percentages shown are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration.

SOURCE: Community College Board

TABLE 7

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Community College Sources of Income[1] for Non-Credit Instruction and Community Services FY 1979

Community College	Fees	Other State Appropriations	Federal Funds	Total
Anoka-Ramsey	$ 22,316 (32.3%)	$ 46,869 (67.7%)		$ 69,185
Austin	131,756 (69.6%)	57,650 (30.4%)		189,406
Brainerd	930 (2.1%)	43,488 (97.9%)		44,418
Fergus Falls	4,464 (11.9%)	33,124 (88.1%)		37,588
Hibbing	8,492 (16.4%)	43,370 (83.6%)		51,862
Inver Hills	60,839 (51.2%)	28,869 (24.3%)	$ 29,139 (24.5%)	118,847
Itasca	17,487 (23.2%)	34,156 (45.3%)	23,804 (31.6%)	75,447
Lakewood	34,361 (31.9%)	51,342 (47.7%)	22,000 (20.4%)	107,703
Minneapolis	51,311 (63.7%)	29,212 (36.3%)		80,523
Mesabi	21,942 (44.3%)	27,607 (55.7%)		49,549
Normandale	69,407 (80.4%)	8,472 (9.8%)	8,500 (9.8%)	86,379
North Hennepin	196,979 (63.4%)	82,309 (26.5%)	31,481 (10.1%)	310,769
Northland	4,154 (26.1%)	11,752 (73.9%)		15,906
Rainy River	1,067 (8.6%)	11,395 (91.4%)		12,462
Rochester	44,249 (44.9%)	54,251 (55.1%)		98,500
Vermilion		7,946 (100.0%)		7,946
Willmar	26,003 (53.3%)	22,774 (46.7%)		48,777
Worthington	1,976 (5.1%)	36,438 (94.9%)		38,414
TOTAL	$697,733 (48.3%)	$631,024 (43.7%)	$114,924 (8.0%)	$1,443,681

[1]Does not include private donations and grants

SOURCE: Community College Board

off-campus graduate instruction, because "a significant percentage of the students participating in this activity are employed adults, particularly teachers obtaining advanced or in-service training for certification and salary advancement purposes." At that time, 64.5% of the off-campus graduate enrollments were in teacher education, 7.0% were in business, and 28.5% were in other disciplines generally supporting the first two areas. This pattern is similar to the distribution of graduate degrees awarded in all graduate programs.

As a result of the change in funding, tuition was raised from $12 to $23 per credit. Off-campus graduate fall headcount enrollments remained stable during the transition, but full-year equivalent enrollments fell by 51%, indicating that students took smaller course loads after tuition was raised.

The data in Table 8 have been assembled for on-campus (general academic) instruction and for off-campus (extension) instruction by graduate and undergraduate levels.

On-campus students paid an average of 36.2% of direct instructional costs at the six conventional universities. Off-campus undergraduates paid an average of 40.6%. The on-campus program includes graduate and other high-cost instruction. These factors, as well as inconsistencies in the accounting of certain costs may explain some within-campus variations in costs borne by on- and off-campus students in subsidized instruction.

Comparison of expenditures from the graduate off-campus fund and estimated tuition receipts for off-campus graduate instruction indicates that receipts covered more than 100% of direct costs at four of the five campuses with graduate programs. At the end of the year, surpluses in this program become a form of non-allocated income under the discretion of the local administration.

Non-credit instruction does not receive direct state funding. The costs of administration and indirect costs such as space and utilities are usually not recovered through participant fees. The state universities do not budget separately for non-credit instruction and the direct costs of these activities supported by fees and grants, are not differentiated from non-instructional public service activities such as speakers bureaus, arts festivals and concerts.

Sources of income for non-credit instruction and other public service are shown in Table 9. It is not possible to determine the proportion of costs paid by participants. More than three-fourths of the public service expenditures are derived from grants to the universities.

5. University of Minnesota

At the University of Minnesota, much of the instruction for part-time and returning students is administered out of Continuing Education and Extension (CEE), a coordinating and programming unit. As a division, CEE is expected to be largely self-supporting although selected, mainly non-instructional activities receive state funding.

Table 8

State Universities Estimated Sources of Funds for
On and Off-Campus Instruction FY 1979

	M&E Appropriation	Off-Campus Graduate Receipts	Non-Allocated Income	Other State and Misc.	Federal Grants	Private Grants	Total Expenditures	Estimated Tuition Revenue	% of Costs Pd. by Tuition[3]
Bemidji									
On-Campus	$ 4,856.9 (97.7%)		$115.2 (2.3%)				$ 4,972.1 (100.0%)	$2,017.6	40.6%
Off-Campus									
Undergraduate	160.3 (75.9%)		51.0 (24.1%)				211.3 (100.0%)	97.3	46.0
Graduate		68.1 (100.0%)					68.1 (100.0%)	82.8	121.6
Mankato									
On-Campus	$11,795.5 (95.4%)		$ 15.5 (.1%)	$ 1.5 --	$542.9 (4.4%)	$ 8.2 (.1%)	$12,363.6 (100.0%)	$4,290.1	34.7
Off-Campus									
Undergraduate	290.0 (98.4%)		4.7 (1.6%)				294.7 (100.0%)	142.8	48.5
Graduate		253.7 (100.0%)					253.7 (100.0%)	276.3	108.9
Metropolitan	$ 1,080.9 (90.8%)		$ 5.6 (.5%)		$ 81.2 (6.8%)	$22.4 (1.9%)	$ 1,190.2 (100.0%)	N/A	N/A
Moorhead									
On-Campus, Regular	$ 7,035.4 (94.4%)		$ 85.0 (1.1%)	$15.9 (.2%)	$309.8 (4.1%)	$32.7 (.4%)	$ 7,478.8 (100.0%)	$2,729.1	36.5
Off-Campus									
Funded Instruction[1]	334.6 (100.0%)						334.6 (100.0%)	97.9	29.3
Graduate, off-campus		15.1 (100.0%)					15.1 (100.0%)	34.2	226.5
St. Cloud									
On-Campus	$12,112.6 (94.5%)		$ 52.8 (.4%)	$74.4 (.6%)	$576.5 (4.5%)		$12,816.3 (100.0%)	$4,501.5	35.1

Table 8 (Cont.)

State Universities Estimated Sources of Funds for
On and Off-Campus Instruction FY 1979

	M&E Appropriation	Off-Campus Graduate Receipts	Non-Allocated Income	Other State and Misc.	Federal Grants	Private Grants	Total Expenditures	Estimated Tuition Revenue	% of Costs Pd. by Tuition[3]
St. Cloud (Cont.)									
Off-Campus									
Undergraduate	212.5 (99.8%)					.4 (.2%)	212.9 (100.0%)	85.8	40.3
Graduate		76.5 (100.0%)					76.5 (100.0%)	68.3	89.3
Southwest									
On-Campus	$ 2,318.4 (98.0%)		$ 30.0 (1.3%)			$17.2 (.7%)	$ 2,365.6 (100.0%)	$ 850.1	35.9
Off-Campus									
Undergraduate	13.9 (37.1%)		23.6 (62.9%)				37.5 (100.0%)	8.6	22.9
Winona									
On-Campus	$ 5,089.6 (96.2%)		(1.6)	$ 11.9 (.2%)	$ 191.2 (3.6%)	$ .9	$ 5,292.0 (100.0%)	$ 2,002.8	37.8%
Off-Campus									
Undergraduate	113.5 (84.2%)		21.3 (15.8%)				134.8 (100.0%)	65.2	48.4
Graduate		45.1 (100.0%)					45.1 (100.0%)	48.6	107.8
TOTAL									
On-Campus[2]	$43,208.4 (95.4%)		$296.9 (.7%)	$103.7 (.2%)	$1,620.4 (3.6%)	$59.0 (.1%)	$45,288.4 (100.0%)	$16,394.0	36.2
Off-Campus[1]									
Undergraduate	1,124.8 (91.8%)		100.6 (8.2%)			.4	1,225.8 (100.0%)	497.6	40.6
Graduate		458.5 (100.0%)					458.5 (100.0%)	510.2	111.3

[1] Includes both graduate and undergraduate on-campus classes offered by the Division of Continuing Education at Moorhead.
[2] Total does not include Metropolitan State University.
[3] In the program budgeting format these expenditures are found in the Instruction and Departmental Research Program. The percentages shown are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration.

SOURCES: Expenditure data from Fiscal Year 1979 Object Detail by Fund Within Activity. Tuition revenue estimated from enrollment data reported by State University Board.

Table 9

State University Sources of Funds
for Public Service and Non-Credit
Instruction FY 1979

	M & E	Non-Allocated Income	Other State & Misc.	Federal	Private Grants	Total Expenditures
Bemidji	$ 12.2	$18.9	$ 6.9	$437.7		$475.7
Mankato	12.5	26.1	--	146.3	$ 12.0	196.9
Metropolitan	0	0	0	0	0	0
Moorhead	24.4	4.4	8.4	2.7		39.9
St. Cloud	--	22.5	31.3	13.9	7.5	75.3
Southwest	--	.6	.4	72.5	138.8	212.3
Winona	61.4	--	--	--	--	61.4
TOTAL	110.5 (10.4%)	72.5 (6.8%)	47.0 (4.4%)	673.1 (63.4%)	158.3 (14.9%)	1,061.4 (100.0%)

SOURCE: State University Board, Fiscal Year 1979 Object Detail By Fund Within Activity.

The funding distinction is based on administrative sponsor, rather than program location or delivery mode. In practice, CEE administers nearly all evening and off-campus credit instruction, except for programs through the Waseca and Crookston campuses. Similar programs offered directly by academic departments could, however, be funded out of the regular instructional accounts if the department chose to use its resources in that fashion.

CEE is also responsible for much of the University of Minnesota's non-credit instruction, often through the Department of Conferences and programming ties to professional associations. CEE's link to non-credit instruction, however, is less complete than for evening and off-campus credit programs, and numerous other units within the University may offer non-credit instruction on their own.

Apart from special purpose grants, CEE receives funding from student tuition and fees and state Operations and Maintenance and Special Appropriations (Table 10). The state Special Appropriations subsidize the Rochester Center and equalize the tuition rates between the day school and CEE and Summer Session.

Unlike academic departments funded by the regular instructional accounts, CEE retains the tuition and fees it collects and uses these funds to finance instructional activities. Through this mechanism, CEE generates a surplus over direct instructional expenses in the Twin Cities and subsidizes the programs in Duluth and Morris. Transferred funds represented 2.7% of total expenditures in Duluth and 14.6% of expenditures in Morris.

Overall, student tuition and fees paid 92% of all CEE direct instructional costs. With present funding mechanisms, CEE is dependent on large enrollment classes, chiefly in the Twin Cities, to generate the surpluses that will allow it to offer a diversified program. In comparison, student tuition revenues covered 49% of direct instructional costs for regular instruction (Table 11).

In both instances, substantial additional expenditures and state subsidies are incurred for academic support, student services, physical plant, fringe benefits and other necessary educational expenses. To the extent possible, these items have been excluded from all data reported in Table 11.

C. ISSUES AND DISCUSSION

1. Overview

It has long been recognized that education provides both social and personal benefits. The public benefits of education justify the

Table 10 University of Minnesota FY 1979 Continuing Education and Extension Sources of Funds for Instruction[1]

CEE Unit	Tuition and Fees	State Appropriations O & M	State Appropriations Special	Total	Surplus (Deficit)
Independent Study (statewide)	545,973 94.6%		31,363 5.4%	577,336 100.0%	2,309
Twin Cities campus	7,215,985 92.8%	308,925 4.0%	249,174 3.2%	7,774,084 100.0%	38,335
Duluth	527,000 94.9%	3,000 .5%	25,566 4.6%	555,566 100.0%	(15,657)
Morris	133,232 91.1%	1,000 .7%	12,015 8.2%	146,247 100.0%	(24,987)
Rochester Center	291,779 68.1%	26,700 6.2%	110,000 25.7%	428,479 100.0%	
TOTAL	8,713,969 91.9%	339,625 3.6%	428,118 4.5%	9,481,712 100.0%	- 0 -

1. Includes both credit and non-credit.

SOURCE: University of Minnesota

Table 11

Comparison of Continuing Education and Extension
and Other University of Minnesota Instruction FY 1979

	FYE		Total Direct Costs[1]		Tuition Revenue	Net State Appropriation	Net State Appropriation	Tuition as % of
	Total	%	($000's)	%	($000's)	($000's)	Per FYE	Costs[2]
Regular Instruction	46,937	86.3%	$ 88,587.8[5]	90.3%	$43,419.4[5]	$45,168.4[5]	$962[5]	49.0%
CEE	7,448	13.7	9,481.7	9.7	8,713.9[3]	767.8	103[4]	91.9%
	54,385	100.0%	$ 98,069.5	100.0%				

[1] Fringe benefits not included.
[2] In the program budgeting format these expenditures are found in the Instructional and Departmental Research Program. The percentages shown are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration.
[3] Includes fees for non-credit instruction.
[4] Assumes that state appropriations subsidize only credit instruction. Includes special appropriations applied to instruction.
[5] Does not include special appropriations. Data from 1979-81 Budget Proposal.

SOURCE: University of Minnesota

use of tax dollars to subsidize participants who might otherwise underinvest in developing their abilities. While it is difficult to estimate empirically the relative magnitudes of personal and social benefits, the amount of public subsidy ultimately reflects a judgment of this distribution.

Programs for part-time and returning students receive vastly different levels of state support depending on the purpose of the instruction, the sponsor and the time, place or method of delivery. As summarized in Table 12, the participants' share of direct instructional costs (exclusive of plant operations, administrative support and student services) varies between 18% and 100%. In addition to these overall legislatively determined funding levels, system and campus internal allocations produce variations in the levels of subsidy, chiefly in response to differences in program costs. The issues raised in this report, however, focus on the pattern of appropriations followed at the state level.

Whenever differences in funding policy have been applied, they have worked to the disadvantage of part-time and returning students. Adverse funding practices, in turn, discourage the public systems and institutions from providing instruction which is accessible to these residents. As the state reviews the nature and extent of its commitment to extend access to part-time and returning students through the public post-secondary systems, the following funding issues are raised:

1. Are there differences among various forms of credit instruction which merit separate funding treatments? Should policies be consistent in each of the public collegiate systems?

2. Should non-credit instruction offered by the public collegiate institutions receive direct public support? What indirect costs should the state absorb?

3. What should be the fiscal relationship between post-secondary and adult vocational education in the Minnesota AVTIs"

2. Credit Instruction

Over the years, the Coordinating Board has recommended that the state should have a rational and consistent basis for sharing the costs of post-secondary education between public funds and student tuition. In 1975, the Board recommended that credit instruction in the public collegiate institutions should be subsidized in proportion to costs regardless of the site, time and mode of delivery.[1] In 1978, the Board recommended that at the system level, tuition should pay for between 25% and 30% of total instructional costs.[2]

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[1] Minnesota Higher Education Coordinating Commission, Making the Transition: Report to the 1975 Minnesota Legislature (January 1975).

[2] Minnesota Higher Education Coordinating Board, "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" (August 1978).

Table 12

Summary of Funding for
Programs Serving Part-Time and Returning Students

Type of Instruction	Participants' Share of Direct Instructional Costs*
VOCATIONAL EDUCATION (NON-COLLEGIATE)	
Post-Secondary	18%
Adult	36%
CREDIT INSTRUCTION (COLLEGIATE)	
State Universities -- All on-campus instruction plus off-campus undergraduate instruction	36%
University of Minnesota -- Regular instruction (non-CEE)	49%
Community Colleges	52%
University of Minnesota -- Continuing Education and Extension (includes non-credit)	92%
State Universities -- Off-campus, graduate instruction	100%
NON-CREDIT INSTRUCTION (COLLEGIATE)	
State Universities	100%
Community Colleges	100%

*In the program budgeting format these expenditures are found in the Instruction and Departmental Research Program. The percentages shown are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration.

SOURCES: Tables 5,6,8, and 11. Programs listed as being 100% supported by participants based on stated policies of the State University Board and Community College Board.

Two credit delivery systems which primarily serve part-time and returning students do not have access to regular state appropriations for operating expenses. These self-supporting programs are Continuing Education and Extension at the University of Minnesota, the primary provider of evening and off-campus credit instruction at the Twin Cities, Morris and Duluth campuses, and the off-campus graduate programs of the state universities. CEE was established as a self-supporting division in 1913. The policy at the state universities is relatively recent, initiated by the State University Board to reallocate funds to other purposes.

Existing funding policies affecting credit instruction for part-time and returning students are based on delivery mode and sponsor. Both University of Minnesota and State University self-supporting credit courses are generally duplicates of courses which are subsidized when offered to on-campus, daytime students. Furthermore, funding practices are unique to each public collegiate system; there is no overall public policy regarding funding of instruction which is outside the conventional times and places of delivery. The community colleges receive funding for all credit instruction (except for the temporary enrollment "bulge" which is funded by tuition revenues in the community colleges as well as in the state universities and the University of Minnesota).

Most of the credit instruction offered through Continuing Education and Extension and the state university off-campus graduate program serves students with a variety of educational objectives, abilities and financial resources. In many ways, they are not that different from students who are able to enroll in subsidized classes.

Although they are older than day students, University of Minnesota Continuing Education and Extension students in the Twin Cities tend to be in their twenties (61%). Although three-fourths are employed, 59% have a family income of less than $20,000. Although job advancement and personal interest are important motivations, two-thirds hope to complete a degree or certificate. Nine percent of the students are concurrently enrolled in day classes.[3] In Duluth, nearly two-thirds of the evening, on-campus extension class students are cross-registered.[4] Students enrolled in day classes, of course, also include a range of ages, incomes and educational goals.

At the state universities, state support was withdrawn from the off-campus graduate program on the contention that participants were primarily teachers who would achieve salary increases upon completion. On-campus graduate programs, however, also serve practicing teachers. Indeed, the pattern of off-campus graduate courses closely matches the distribution of master's degrees awarded by the state universities. Nearly three-fourths of the on-campus graduate students are attending part-time. Under present policy, a teacher in Winona receives state support for continuing education credits while a teacher in Little Fork may not.

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[3] Kanun, Clara, The Extension Classes Student Patterns of Registration, Sociological Profile and Goals - Updated, University of Minnesota (October 1979)

[4] Duluth Center for Continuing Education and Extension, "1978-79 Annual Report," (no date).

Because Continuing Education and Extension and the state university off-campus graduate program receive less state support than other credit instruction, the ability to offer an extensive and diversified array of offerings under these delivery systems is diminished. While funded instruction also must achieve a balance between income and expenditure, the enrollments they must reach to survive are lower. As a consequence of their self-supporting status, Continuing Education and Extension and the state universities must drop marginal classes that might be viable under more favorable funding arrangements. Since these delivery systems frequently provide the sole available access to some returning students, the current funding policies are especially adverse to those Minnesota residents who cannot take advantage of regular programs.

Continuing Education and Extension has sustained a self-supporting program (with a relatively small special appropriation for instruction) by manipulating costs so that tuition can be held similar to tuition for instruction that receives state funds. Costs are kept down by paying instructors less than the day school and by maintaining large class sizes. This latter strategy, in particular, discourages graduate and upper division classes which serve specialized interests and favors lower division, general interest classes. In the Twin Cities, this strategy potentially duplicates the resources of the six metropolitan community colleges. It has also been necessary to rely on Twin Cities revenues to maintain useful programs in the smaller population centers of Duluth and Morris.

In contrast to the University of Minnesota which has kept CEE tuitions reasonably consistent with day rates, the State University Board elected to raise tuition for off-campus graduate classes when it put those programs on a self-supporting basis. The state university graduate student who is unable to come to campus, therefore, pays a greater amount of tuition for a restricted choice of available classes.

3. Non-Credit Instruction

With the exception of several special appropriations, for the University of Minnesota, the state does not fund the direct instructional costs of non-credit instruction in collegiate institutions, although analogous activities in adult vocational and community education receive state subsidies. Non-credit instruction, however, does benefit from both direct and indirect state funding. Direct support is provided through state-funded positions to manage and plan the non-credit program. Indirect support is provided because overhead costs such as facilities and general administration are not charged to the costs of credit or non-credit classes.

Several arguments which support some general use of state funds for non-credit instruction include the following:

1. While some non-credit instruction provides minimal social benefits, non-credit occupational training, citizenship and leadership skills, and skills programs for the educationally disadvantaged have legitimate social uses which should be recognized through public participation in financing.

2. Funding mechanisms can encourage institutions to emphasize socially desirable non-credit instruction.

3. It is not consistent to ask institutions to accept a mission of public service without provision of resources.

4. Required non-credit continuing education for the professions protects the public, and the public should share directly in its costs.

5. Non-credit programs for low income audiences cannot be afforded unless fees can be reduced through some form of subsidy.

6. Non-credit funding would relieve pressures to offer credit for questionable programs.

Provision of funding for non-credit instruction would be impeded by several practical difficulties. Because funding has not been available for non-credit work, institutional records include programs of varying lengths and structure. Many programs are co-sponsored with internal or external agencies and double counting is a problem. While the Continuing Education Unit (CEU) is intended as a measure combining length of instruction and persons served, similar to the academic credit, institutions do not use it consistently to record their activity. Finally, instructional and non-instructional public service are often combined in administration.

4. Post-Secondary and Adult Vocational Education

There are signs that post-secondary and adult instruction will become increasingly difficult to separate. Both types of instruction can now serve part-time students. Further, the line between the post-secondary programs, which provide initial entry level training, and the adult programs, which may "retrain" individuals for a new occupation, is not always clear. As career change becomes common, the historical distinctions in the two types of instruction are changing.

If the funding of adult vocational education were placed on the same basis as post-secondary vocational instruction, the AVTIs would be able to be more flexible in serving students, and artificial decisions to place certain classes in one or the other program would be avoided. Aid for supplies and indirect expenditures of adult vocational education could also be collected by the district, eliminating subsidies by the post-secondary programs.

Placing the adult vocational program on the same funding formula as post-secondary instruction presents two problems. First, the funding of post-secondary instruction is tied, in part, to student contact hours of instruction in a structured setting. Adult farm management, veteran's farm management and small business management, however, contain provision for consulting services as well as classroom instruction. So far, it has not been possible to incorporate consulting efforts into the post-secondary funding formula.

Second, under current formulas, adult vocational students pay higher fees and a greater share of instructional cost than post-secondary students. Most plans for merging the two programs would replace the individually-determined adult vocational fee structure with prorated tuition based on post-secondary rates. State aids would be used to replace student contributions at most institutes.

Although merging post-secondary and adult vocational funding as usually proposed would increase state support, adult vocational education might not benefit from a merger. Some AVTI directors have concentrated their energies and loyalty around the post-secondary programs. If separate funding were eliminated, some districts might use funds now going to adult vocational education to improve the full-time post-secondary programs.

D. CONCLUSIONS

1. Credit Instruction

Two types of variables can be used to determine variable funding policies within post-secondary education. First, program characteristics can become the basis for differential funding policies based on state and institutional objectives. Program variables include the level, content, purpose and format of instruction. Second, student characteristics are sometimes important in formulating funding policies. Student characteristics include ability, motivation, educational goals and access to financial resources.

Although present policies affecting credit instruction for part-time and returning students are constructed around delivery mode, a program related variable, they are usually justified on the basis of differences in the characteristics of the students who enroll. All instruction in the public collegiate institutions, however, regardless of the time and place of delivery, serves a variety of students unless characteristics of the curriculum tend to restrict enrollment to one type of individual. A day or evening course in introductory biology, for example, will probably include both returning and non-returning students while a course for practicing social workers will enroll solely returning students.

The separate funding status of Continuing Education and Extension is a legacy of a time when the public did not expect post-secondary institutions to devote serious efforts to serving the entire adult population. It was a time when formal education was restricted to youth, and further education has connotations of serving the cultural interests of the leisured classes. While Continuing Education and Extension provides educational enrichment to the general public, it also has developed into an important

means of access for adults who are acquiring their basic undergraduate and graduate education. If these aims are worth supporting, public policy should be neutral in funding delivery at different times and places. This does not mean that instruction can be made equally available to all students regardless of their preferences, but it would mean that their demands could be evaluated by the University of Minnesota under the same set of fiscal incentives as the needs of day students.

The action of the State University Board to withdraw support for off-campus graduate classes because they can create immediate financial benefits to teachers at further public expense raises two important questions. First, the method of implementing this intent has applied to non-education courses as well as courses that meet the continuing education credit needs of teachers. Second, if this goal is sound, should it not apply to all graduate teacher education in the state?

If the purpose of current policies is to discriminate on the basis of student characteristics, their impacts are clearly incomplete. Funded classes now contain students whose incomes, motivations, or abilities do not merit public subsidy while self-supporting types of instruction serve some students who do. This is the inevitable result of sweeping policies based on delivery mode alone. A precise way of separating programs worthy of public support would have to focus on the content and purpose of instruction. The most efficient way to discriminate among different student characteristics is through a comprehensive student financial aid policy with eligibility criteria formulated around the public's interests.

Although the present array of policies is inconsistent, changing them in the current fiscal environment will not be easy. There are three basic ways in which the funding of all credit instruction could be placed on the same set of funding incentives:

1. The existing levels of state support for the University of Minnesota and the state universities could be redistributed so that the students' share of instructional costs is equalized in different delivery systems offering equivalent instruction.

2. The state could appropriate additional funds to bring the level of state support for Continuing Education and Extension and the state university off-campus graduate programs up to the standards for equivalent instruction.

3. Additional revenues could be raised through a general increase in tuition so that state funds could be redistributed without harming instruction which is now state-supported.

These three models, using state university and University of Minnesota data for Fiscal Year 1979, are portrayed in Exhibits A and B. Several assumptions and limitations were necessary in developing these examples:

1. Changes in enrollment patterns following changes in funding distributions have not been taken into account.

EXHIBIT A

Alternate Strategies for Equalizing Funding Policies
for Credit Instruction - University of Minnesota
FY 1979 Data (Millions of Dollars)

A. Present Condition

	Direct Inst. Cost	State Funds	Tuition Revenue	Tuition % of Cost*	Major Effects
Regular	$88.6	$45.2	$43.4	49%	CEE receives state funds through Special Appropriation to keep tuition similar to day classes
CEE	9.5	.8	8.7	92	
Total	98.1	46.0	52.1	53	CEE costs managed by dampening faculty pay and inflating class size in comparison to day classes

B. Redirect State Funds

Regular	$81.7	$38.3	$43.4	53%	No change in tuition levels No change in state funds Expenditures for regular instruction cut by $6.9 (8%) Expenditures for CEE rise by $6.9 (74%)
CEE	16.4	7.7	8.7	53	
Total	98.1	46.0	52.1	53	

C. Increase Tuition for All Instruction

Regular	$88.6	$38.3	$50.3	57%	Tuition rates rise by 16% for both regular and CEE instruction No reduction in regular expenditures Expenditures for CEE rise by 89% No change in state funds
CEE	17.8	7.7	10.1	57	
Total	106.4	46.0	60.4	57	

D. Increase State Funds

Regular	$88.6	$45.2	$43.4	49%	No change in tuition rates No change in regular expenditures State funds increase by $8.3 (18%) CEE expenditures rise by $8.3 (87%)
CEE	17.8	9.1	8.7	49	
Total	106.4	54.3	52.1	49	

93

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These percentages are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plan operations, student services, and general administration.

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EXHIBIT B

Alternate Strategies for Equalizing Funding Policies
for Credit Instruction - State University
FY 1979 Data (Millions of Dollars)

	Direct Inst. Cost	State Funds	Tuition Revenue	Tuition % of Cost*	Major Effects
A. Present Condition					
On-Campus	$46.5	$29.6	$16.9	36%	Tuition for off-campus graduate 68% above on-campus rates
Off-Campus, Grad.	.5	0	.5	100	No state funds used for off-campus graduate
Total	47.0	29.6	17.4	37	
B. Redirect State Funds					
On-Campus	46.0	29.1	16.9	37	No change in state funds
Off-Campus, Grad.	.8	.5	.3	37	Tuition for off-campus, graduate reduced to on-campus level
Total	46.8	29.6	17.2	37	Expenditures for regular instruction reduced by $.5 million
					Expenditures for off-campus, graduate rise by $.3 million
C. Readjust Tuition for all Instruction					
On-Campus	46.5	29.1	17.4	37	No reduction in regular expenditures
Off-Campus, Grad.	.8	.5	.3	37	No change in state funds
Total	47.3	29.6	17.7	37	Tuition for on and off-campus graduate equalized
					Tuition revenues increased by $.5 million (through increases in grad or all tuition)
					Expenditures for off-campus, graduate rise by $.3 million
D. Increase State Funds					
On-Campus	46.5	29.6	16.9	36	No reduction in regular expenditures
Off-Campus, Grad.	.8	.5	.3	37	Tuition for off-campus grad reduced to on-campus level
Total	47.3	30.1	17.2	36	State funds increase by $.5
					Expenditures for off-campus, graduate rise by $.3 million

*These percentages are not comparable to the burdens displayed in the Board's August, 1978 paper on "A Recommended Tuition Policy for Minnesota Public Post-Secondary Education" because the expenditure base used in that report included both direct and indirect costs, such as plant operations, student services, and general administration.

2. Equity is assumed to be achieved when the students' portions of direct instructional cost are equalized. In fact, some differences might remain if certain high or low cost programs were concentrated in one delivery systems.

3. It is also assumed that tuition would be substantially the same for students taking the same type of instruction. For the University of Minnesota, this principle means that comparability between tuition rates in Continuing Education and Extension and regular instruction would be maintained. For the state universities, the present differential between on- and off-campus graduate tuition would be erased.

4. Expenditure and income data reported by the University of Minnesota included non-credit instruction. These data were assumed to reflect solely credit instruction.

As shown in Exhibit A, eliminating the current discrimination in funding of instruction offered through Continuing Education and Extension would require major shifts in funding or allocation of resources. These shifts would be so great that they could only be accomplished over an extended period of time. Such a change would also have important implications for the governance, functions, and authority of Continuing Education and Extension under an altered fiscal environment.

The effects of changing the funding status of state university off-campus graduate instruction are illustrated in Exhibit B. In comparison to the University of Minnesota, the implications involve smaller amounts of money and simpler administrative modifications. The current policy is only four years old and could be reversed in a relatively short time. The funds which formerly subsidized the off-campus graduate program are now funding other state university functions. Reallocation of these existing resources would, however, still require a re-evaluation of all priorities in the light of changed conditions since the policy went into effect.

2. Non-Credit Instruction

Although it is an imperfect indicator of social utility, the credit bearing status of instruction is well established and will remain a fundamental part of funding policy. The credit class signifies the type of basic academic preparation that has long enjoyed public subsidy. The non-credit class delivers instruction which clearly merits a lower level of support.

Non-credit programs have not always had the quality control that institutions put into their credit offerings, and many offerings are also clearly recreational in character. To the extent that the state chooses to fund purely recreational learning, community education programs managed by the K-12 school districts are operating statewide.

Several community colleges have made effective use of combining the financial resources of community education with the educational resources

of the college. Similar arrangements with social service agencies and civic groups are available to support instruction which is targeted to low income participants. Although additional funding would add to these services, it might be better placed with the agencies that work directly with the problems and needs of that clientele. The resources of the public colleges could then be directed to these purposes through cooperative efforts.

Occupational upgrading is another area of non-credit instruction which has a legitimate claim on public funds. Mechanisms in other sectors, however, now subsidize this form of education. Adult vocational education provides a system of occupational upgrading that focuses on the skilled technical and semi-professional occupations. As developed earlier in this chapter, the level of state funding in this program is already similar to the level of support for credit instruction in the collegiate institutions. The occupational upgrading of professional and managerial occupations is generally not met through direct subsidy to educational providers, but income tax deductions for educational expense are an important form of subsidy to higher income groups.

In conclusion, access to non-credit instruction is above and beyond the state's commitment to provide the fundamentals of educational preparation to all citizens who can benefit from development of their abilities. The state has not delivered on that commitment to other part-time and returning students. In the presence of needs to devote resources to that purpose, provision of funding for non-credit instruction is not a priority use of scarce public funds for education.

3. Post-Secondary and Adult Vocational Education

The adult and post-secondary programs initially served different purposes, and in most districts the original distinctions still apply. Post-secondary programs provide entry level skills for students entering an occupation. Adult programs most often provide in-service training for individuals who are already employed in the field. A 1978 sample survey of adult vocational students indicated that 74% were enrolled for updating purposes, 14% were enrolled solely for personal enjoyment, and only 12% were just entering the job market.[5] As long as adult and post-secondary vocational education teach different levels of skill, funding differences are appropriate.

Given the purpose of adult vocational education, it is proper that the state's share of costs be less than for post-secondary vocational education programs. Despite its lower level of support in comparison with post-secondary vocational education, tax funds are supporting adult vocational education at a higher proportion than credit instruction in collegiate institutions. Changes in the adult vocational formula, however, might provide a comprehensive consideration of all costs of instruction. In particular, the

[5] Alexander Grant and Company, Final Report of Findings for the Study Conducted of the Adult Vocational Education Program in the State of Minnesota (October 25, 1978).

current formula which provides reimbursement for only faculty salaries and travel is a disincentive for the use of instructional technology which is an increasingly attractive method of teaching some skills.

APPENDIX

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Study of Post-Secondary Opportunities
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